GEORGIA
DEPARTMENT
EDUCATION

Dr. John D. Barge, State Superintendent of Schools

PCGENESIS FINANCIAL ACCOUNTING AND REPORTING (FAR) SYSTEM OPERATIONS GUIDE

1/21/2011	Section M: Calendar and Fiscal Year-End Processing

[Topic 1: Processing 1099 Vendor Information, V2.4]

Revision History

Date	Version	Description	Author
1/21/2011	2.4	10.04.00 – Add 1099-MISC re-print instructions.	D. Ochala
07/06/2010	2.3	10.02.00 – 1099 indicator '9' (Direct Sales) is obsolete - delete. Add support for 'D' (Section 409A Deferrals) and 'E' (Section 409A Income). Update *Select Printer* screens.	D. Ochala
12/11/2008	2.2	08.04.00 – Added duplicate *SSN/EIN merge* and *F8 print* option information and instructions.	C. W. Jones
03/24/2008	2.1	08.01.00 – Added 1099 vendor status change information to the Overview.	C. W. Jones
12/26/2007	2.0	07.04.00 –Updates to screenshots only, procedures unchanged.	C. W. Jones

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Overview

* * * ATTENTION * * *

These instructions apply <u>ONLY</u> to school districts and systems filing FORM 1099-MISC statements for vendors.

If the Form 1099-MISC statements are created in PCGenesis, the information must be submitted to the Internal Revenue Service (IRS)/Martinsburg Computing Center (IRS/MCC) on magnetic media or electronically via the Filing Information Returns Electronically (FIRE) system. PCGenesis runs this procedure <u>three</u> <u>times</u> to produce the Recipient, State, and Employer copies of the 1099 forms.

Remember! This is a calendar year-end procedure. <u>ALL</u> 1099 payments must be paid <u>AND</u> entered into PCGenesis by December 31 of the current calendar year.

Expenditure details associated with a 1099 vendor may contain amount indicators.

The following processing guidelines apply to processing 1099 vendor information:

System Control Information: The *IRS 1099 Control Information* screen identifies school district-/system-specific 1099 vendor filing information and includes valid amount indicators and third party agent information. Validate and update this and the yearly filing information as needed.

Vendor Maintenance: *Section C: Vendor File Maintenance* provides detailed information for maintaining PCGenesis vendor information. For 1099 vendors, a response and an entry are required in the *1099 (Y/N)* and the *Name Control* fields. When changing a vendor's 1099 status from *'Y' (Yes)* to *'N' (No)* on the *Vendor Maintenance* screen, PCGenesis now automatically deselects all claims for that vendor for 1099 processing and removes the *1099 flag* indicator from the corresponding claims. The added measure of deselecting the claims prevents a fatal error during 1099 processing. Additionally, PCGenesis displays the following warning message indicating the same:
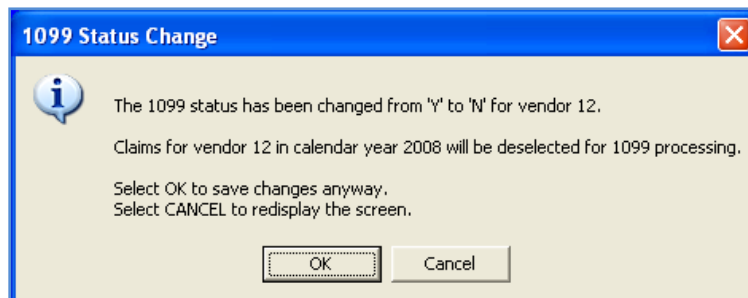
Journal Voucher and Claims Maintenance: 1099 vendor journal voucher and claims maintenance includes validating the 1099 amount indicators and the line item details. PCGenesis does not allow modifications to cancelled 1099 claims or to non-1099 vendor claim/journal voucher information using the 1099 vendor processing procedure.

1099 Vendor Edit Listing: The *Edit Listing* provides vendor details in either name or vendor number sequential order. After correcting the errors and reprinting the *Vendor Edit Listing,* compare the results to the *1099-MISC* forms to ensure accuracy.

Amount Indicators: 1099 processing allows the use of amount indicators. The *IRS 1099 Control Information* screen and all 1099 reports, edits, and processing screens in PCGenesis includes these indicators for use when coding expense and journal entry lines.

Form 1099-MISC Statements Amount Indicator Table

Amount Code	Amount Type
1	**Rents**
2	**Royalties**
3	**Other Income, Prizes and Awards**
4	**Federal Income Tax Withheld** (**Backup Withholding**)
5	**Fishing Boat Proceeds**
6	**Medical and Health Care Payments**
7	**Non-Employee Compensation**
8	**Substitute Payments in Lieu of Dividends or Interest**
A	**Crop Insurance Proceeds**
B	**Excess Golden Parachute Payments**
C	**Gross Proceeds Paid to an Attorney**
D	**Section 409A Deferrals**
E	**Section 409A Income**
The IRS provides detailed instructions for the *Form1099-Misc* at: http://www.irs.gov/instructions/i1099msc/index.html.	

IRS 1009 Magnetic Media Processing

System Magnetic Media Contact Information**:** In addition to the reporting agency's telephone number, 1099 processing also prompts for the contact name and an E-mail address when users create the 1099 magnetic media file. Although the information exists from a previous 1099 *CONTROL* file, verify the information is in fact correct. Where appropriate, a 1099 file indicator is also available if the IRS/MCC was unable to process a previously submitted file.

In addition to diskette submission, users may also submit the 1099 file electronically through the *Filing Information Returns Electronically (FIRE)* system. Although the Technology Management Customer Support Center *does* *not* offer technical support for this procedure, *IRS Publication 1220* at: http://www.irs.gov/pub/irs-pdf/p1220.pdf provides the instructions for using the *FIRE* system and for submitting the 1099 file electronically. The *IRS/ECC Information Reporting Customer Service Section (IRP/CSS)* provides user support for the *FIRE* system. Contact the IRS via e-mail *(mailto: mccirp@is.gov)* or via telephone at (866) 455-7438.

FORM 1099-MISC Magnetic Media (Diskette) Submission Requirements**:** To submit *FORM 1099-MISC* information via magnetic media, the school district/system Internal Revenue Service (IRS) *Form 4419 - Application for Filing Information Returns Magnetically/Electronically* must be on file with the IRS. The IRS provides detailed instructions for magnetic media submission and *Form 4419* at: http://www.irs.gov/pub/irs-pdf/p1220.pdf. Submit the form at least thirty (30) days before the due date of tax returns for the current calendar year. When approved by the IRS to file *FORM 1099-MISC* information via magnetic media or electronically, the IRS assigns a five-digit alphanumeric *Transmitter Control Code (TCC)*. Enter this code on the PCGenesis *IRS 1099 System Control Information* screen.

Internal Revenue Service (IRS) Publications: Refer to IRS *Publication 1220 - Specifications for Filing Forms 1098, 1099, 5498 and W-2G Magnetically or Electronically with IBM 3480, 3490, 3590, AS400 compatible tape cartridges* at: http://www.irs.gov/pub/irs-pdf/p1220.pdf.

1099 Vendor Information Processing Checklist

✓	**Step**	**Action**
	1	Update the *IRS 1099 Control Information* screen.
	2	Add new 1099 vendor information.
	3	Update existing 1099 vendor information, where appropriate.
	4	Print the *1099 Vendor Edit Listing*.
	5	Mass update 1099 vendor claims as needed.
	6	Perform 1099 Accounts Payable (A/P) claims maintenance by identifying the 1099 claims.
	7	Perform 1099 Accounts Payable (A/P) journal voucher maintenance by identifying the journal entry posted 1099 claims.
	8	Print the *1099 Details Edit Listing*. *If there are errors, correct the errors and generate the report again to ensure accuracy. Repeat this process as often as needed.*
	9	Perform 1099 Accounts Payable (A/P) claims maintenance, where appropriate.
	10	Print the *1099-MISC* forms.
	11	Compare the results of the *1099 Details Edit Listing* to the 1099 forms to ensure the results are the same and are accurate.
	12	Create the 1099 magnetic media file.
	13	Copy the 1099 magnetic media file to diskette.

Table header: **Complete these steps in the order provided.**

Procedure A: Display/Update 1099 System Control Data

Step	Action
1	From the *Business Applications Master Menu,* select **1** (**F1 -** Financial Accounting & Reporting System).

The following screen displays:

Step	Action
2	Select **12** (**F12 -** Year End Processing Menu).

The following screen displays:
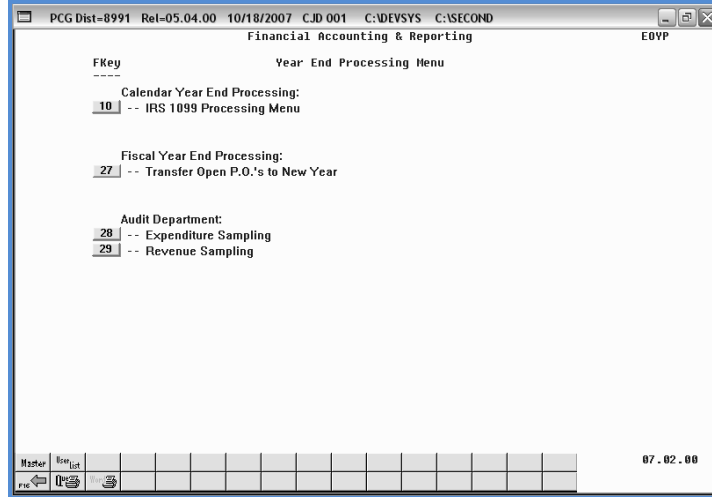
Step	Action
3	Select ___10___ (**F10** - Calendar Year End Processing: IRS 1099 Processing Menu).

The following screen displays:

Step	Action
4	Select ___13___ (**F13** - Display/Update 1099 System Control Data).

The following screen displays:

```
 ▣   PCG Dist=8991  Rel=10.02.00  04/12/2010  DOD 001  SV C:\DEVSYS  C:\SECO... _ ⧉ ×
                                                                         FARPM110
                        ***** IRS 1099 CONTROL INFORMATION *****

                Name:     SMITH CITY BOARD OF EDUCATION_
                Address:  102 MAIN STREET_____
                City:     SMITH_____     State: GA  Zip: 33333_____


          Filing Information For What Year:            2010
          Federal Employer Identification Number (EIN): 998877889
          Name Control:                                SMIT
          Type of Return:                              A (Misc)
          Transmitter Control Code (TCC):              00001

      Amount Indicators (Y/N):
        1 - Rents             Y    2 - Royalties           Y    3 - Other income        Y
        4 - Fed income tax w/h Y   5 - Fishing boat        Y    6 - Medical payments    Y
        7 - Nonemployee comp   Y   8 - Lieu of dividends   Y    B - Parachute payments  N
        C - Legal services     Y   D - Section 409A deferrals Y  E - Section 409A income Y
     ----------------------- Transfer Agent Information ------------------------------

                     Transfer Agent Indicator (Y/N): N
          Name:     _____
          Address:  _____
          City:     _____     State: __  Zip: _____




      ENTER = Validate,  F16 = Exit                                    10.02.00
```
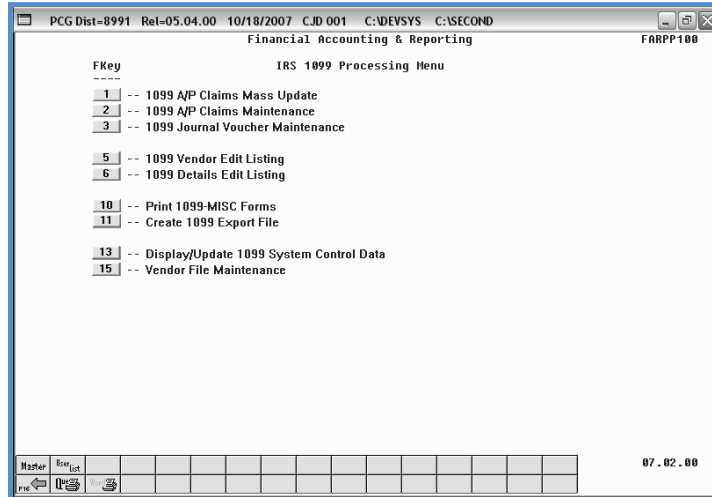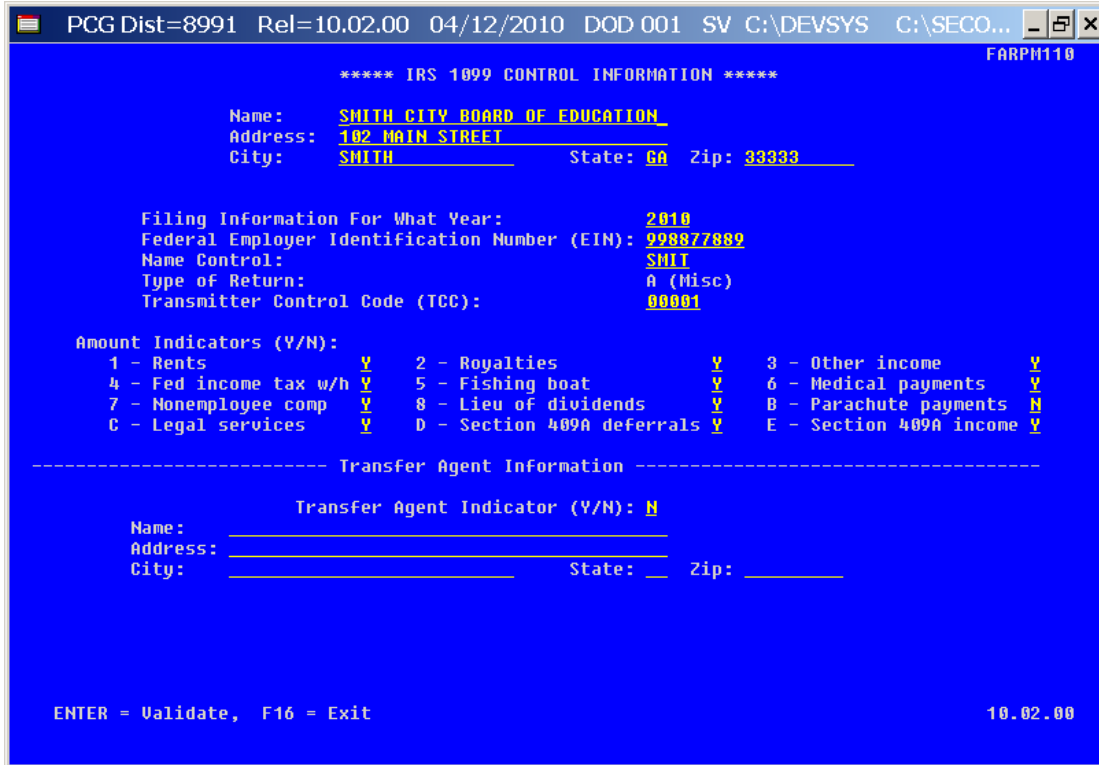
Step	Action
5	Verify the defaulting **Name, Address**, **City**, **State** and **Zip** (Code) field entries are correct, and where appropriate, modify the remaining fields' entries.
6	Enter the year (YY) in the **Filing Information For What Year** field. *The entry in the field must correspond with the tax year in Box 4 of Form 4419 – Application for Filing Information Returns Magnetically/Electronically.*
7	Enter the Employer Identification Number (EIN) in the **Federal Employer Identification Number** (**EIN**) field. *The entry in the field must correspond with Box 3 of Form 4419 and the EIN listed on the Federal Income Tax (FIT) Table screen. Refer to the Payroll System Operations Guide, Section I: Special Functions, Topic 9: Tax Tables/Withholding/Control Information Processing for the instructions to access this screen.*
8	Refer to the *Internal Revenue Services (IRS) Publication 1220* for instructions regarding the entry in the **Name Control** field.
9	Verify **A** (FORM 1099-MISC) displays in the **Type of Return** field.

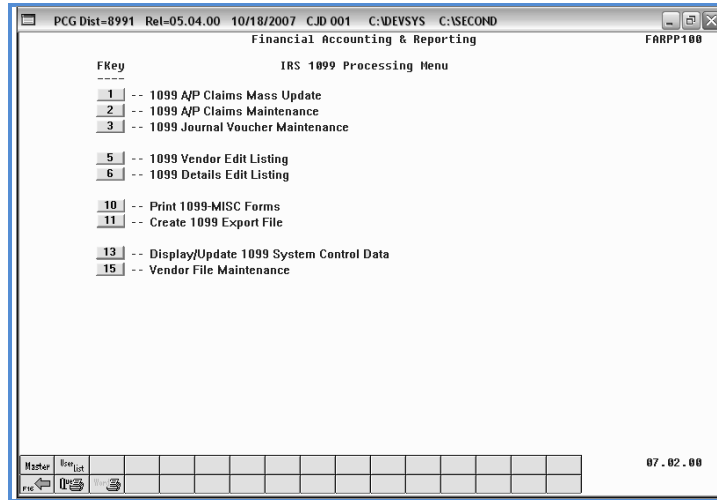| Step	Action
10	**If reporting via Magnetic Media/Third Party Vendors:** Enter the appropriate transmit control code in the **Transmitter Control Code** field. *The Internal Revenue Service (IRS) assigns the Transmitter's Control Code (TCC) when approved for magnetic media submission (Form 4419).*
11	Refer to the *Internal Revenue Services (IRS) Publication 1220* for a definition of the codes in the **Amount Indicators** (**Y/N**) fields.

Form 1099-MISC Statements Amount Indicator Table	
Amount Indicator	*Amount Indicator Description*
1	**Rents**
2	**Royalties**
3	**Other Income, Prizes and Awards**
4	**Federal Income Tax Withheld** (**Backup Withholding**)
5	**Fishing Boat Proceeds**
6	**Medical and Health Care Payments**
7	**Non-Employee Compensation**
8	**Substitute Payments in Lieu of Dividends or Interest**
A	**Crop Insurance Proceeds**
B	**Excess Golden Parachute Payments**
C	**Gross Proceeds Paid to an Attorney**
D	**Section 409A Deferrals**
E	**Section 409A Income**

The IRS provides detailed instructions for the *Form1099-Misc* at:
http://www.irs.gov/instructions/i1099msc/index.html.

Step	Action
12	**For Third Party Vendors:** Enter **Y** (Yes) or **N** (No) in the **Transfer Agent** Indicator field. *If the school district's or the system's 1099 file transmission is from any location other than the central office, enter Y (Yes) in the field and the agent's information in Step 8, Step 10, and Step 13.*
13	**For Third Party Vendors:** Enter your school district's transmittal agent information in the **Name, Address, City, State,** and **Zip** (Code) fields. *When entering Y (Yes) in the Transfer Agent field, make corresponding entries within these fields.*
14	Select **Enter** (Validate).

The following screen displays:

```
 ▤  PCG Dist=8991  Rel=10.02.00  04/12/2010  DOD 001  SV  C:\DEVSYS   C:\SECO...  _ 🗗 ✕
                                                                               FARPM110
                          ***** IRS 1099 CONTROL INFORMATION *****

                 Name:     SMITH CITY BOARD OF EDUCATION
                 Address:  102 MAIN STREET
                 City:     SMITH              State: GA  Zip: 33333


            Filing Information For What Year:       2010
            Federal Employer Identification Number (EIN): 998877889
            Name Control:                          SMIT
            Type of Return:                        A (Misc)
            Transmitter Control Code (TCC):        00001

        Amount Indicators (Y/N):
            1 - Rents            Y    2 - Royalties          Y    3 - Other income       Y
            4 - Fed income tax w/h Y  5 - Fishing boat       Y    6 - Medical payments   Y
            7 - Nonemployee comp  Y   8 - Lieu of dividends  Y    B - Parachute payments N
            C - Legal services    Y   D - Section 409A deferrals Y  E - Section 409A income Y

        ---------------------- Transfer Agent Information ----------------------------------

                         Transfer Agent Indicator (Y/N): N
                 Name:
                 Address:
                 City:                            State:     Zip:




         ENTER = Update,  F16 = Reenter                                          10.02.00
```

Step	Action
15	Verify the screen's entries are correct and select **Enter** (Update) to return to the *Financial Accounting & Reporting – IRS 1099 Processing Menu.* *If the information is incorrect, select F16 (Exit), make the appropriate modifications, and select Enter* <u>*twice*</u>.

The following screen displays:
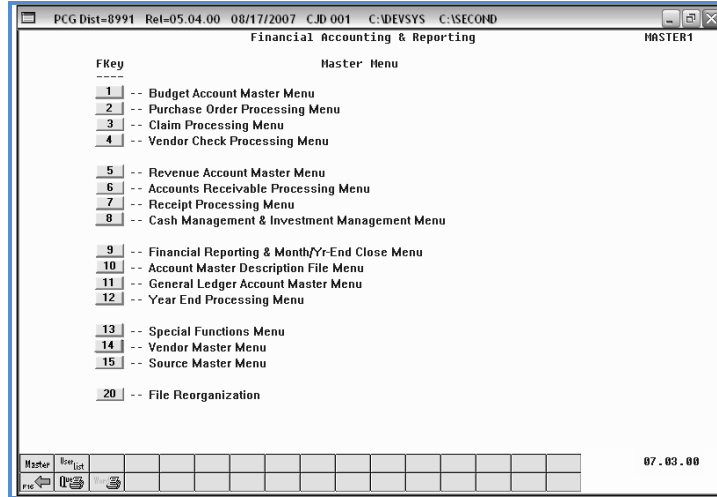

Step	Action
16	Select (**F16** - Exit) to return to the *Financial Accounting & Reporting – Year End Processing Menu,* or select (**Master**) to return to the *Business Applications Master Menu.*

Procedure B: Vendor File Maintenance

B1. Vendor Maintenance

Refer to *Section C: Vendor File Maintenance* for the instructions to update PCGenesis vendor information.

B2. Printing the 1099 Vendor Edit Listing

Step	Action
1	Select **12** (**F12 -** Year End Processing Menu).

The following screen displays:
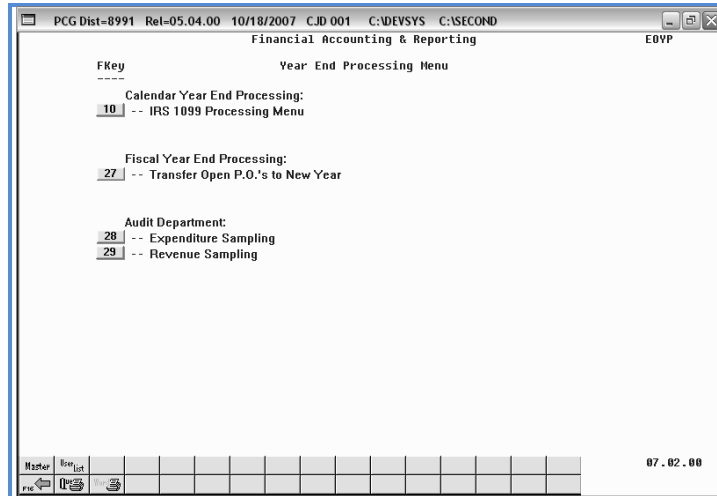
Step	Action
2	Select **10** (**F10** - Calendar Year End Processing: IRS 1099 Processing Menu).

The following screen displays:

Step	Action
3	Select **5** (**F5** - 1099 Vendor Edit Listing).

The following screen displays:

Step	Action
4	Select **F1** (Edit Listing by Vendor Number) or **F2** (Edit Listing by Vendor Name).
	Based on the menu option, "*** Processing by Vendor Number ***" or "*** Processing by Vendor Name ***" briefly display.

The following screen displays:

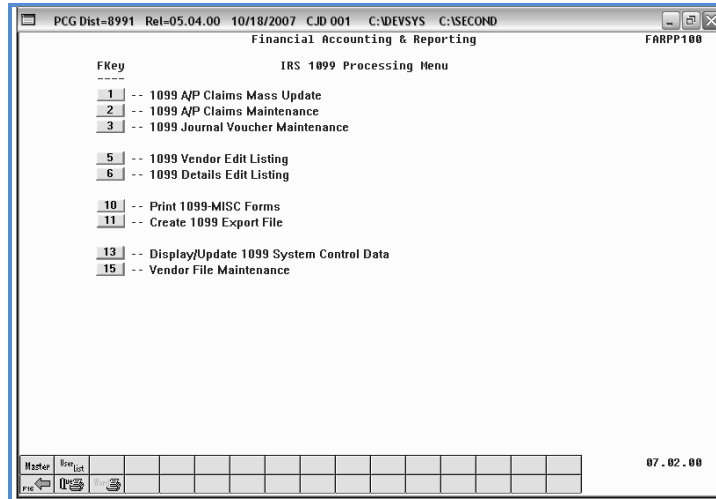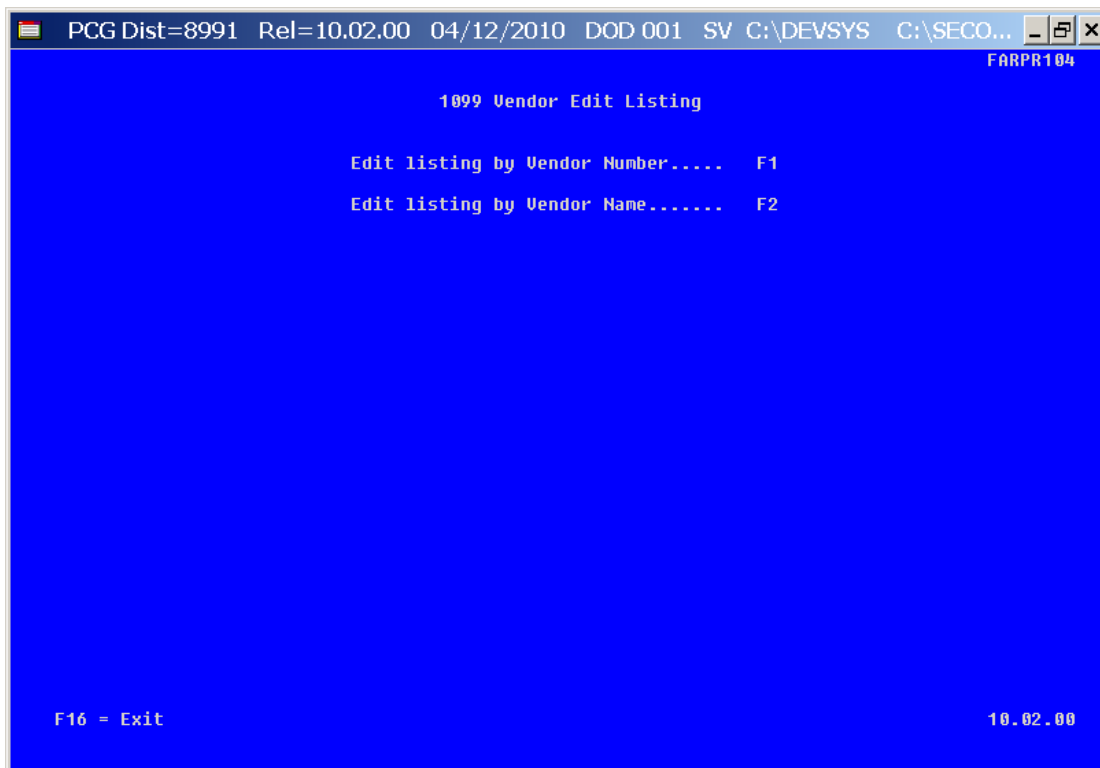| Step	Action
5	**To print the report via the Uqueue Print Manager:** Select [Queue icon] (**Uqueue**).
	To print the report via Microsoft® Word: Select [Word icon] (**MS WORD**).
	Follow the User Interface instructions provided in Topic 1: Creating the Microsoft®-PCGenesis QWORD Macro for Report Printing to create the macro necessary to use the feature where appropriate.
6	Select [F16 icon] (**F16** - Exit) to return to the *Financial Accounting & Reporting – Year End Processing Menu,* or select [Master icon] (**Master**) to return to the *Business Applications Master Menu.*

B2.1. 1099 Vendor Edit Listing (by Vendor Number) – Example

```
=============================================Page Break==============================================================
REPORT DATE: 10/18/2007           1 0 9 9   V E N D O R   E D I T   L I S T I N G                        PAGE:   1
REPORT TIME: 09:57 AM                              BY VENDOR NUMBER                                      FARPR104

                        SYSTEM:  8991    GADOE BOARD OF EDUCATION


VENDOR  VENDOR                      VENDOR ADDRESS                      FED ID   SSN/FED ID    NAME    FOREIGN *  ERROR
NUMBER  NAME                                     CITY        STATE  ZIP  (Y/N)      (EIN)     CONTROL   (Y/N) *  CODES
-------------------------------------------------------------------------------------------------------------------------
000193  VENDOR 000193               0190 VENDOR STREET                    Y    ?????????    KING       N    * 7
                                    SMITH            GA     33333                                           *
                                                                                                           *
000200  VENDOR 000200               0197 VENDOR STREET                    N    ?????????    DENH       N    * 7
                                    SMITH            GA     33333                                           *
                                                                                                           *
000243  VENDOR 000243               0239 VENDOR STREET                    Y    ?????????    SMIT       N    * 7
                                    SMITH            GA     33333                                           *
```

The final page of the report lists 1099 vendor and error totals. The error codes are within the Error Table at the end the printed report, and specific errors display at the far right of the page where appropriate.

```
                        TOTAL NUMBER OF VENDORS REQUIRING 1099'S =  491

                        TOTAL NUMBER OF VENDORS WITH ERRORS       =  318

-------------------------------------------- ERROR TABLE --------------------------------------------------------
2) INVALID ADDRESS        3) INVALID CITY          5) INVALID ZIP CODE       7) INVALID SSN/FED. ID (EIN)
2) ADDRESS TRUNCATED      4) INVALID STATE         6) INVALID FED. ID FLAG   8) INVALID NAME CONTROL      9) INVALID FOREIGN FLAG
```

Error Codes and definitions

Procedure C: Updating Claims and Journal Vouchers for 1099 Processing

C1. Mass Updating 1099 Accounts Payable Claims
** * * ATTENTION * * **

These instructions apply to retroactively updating existing records. Identify new 1099 claims as such where appropriate.
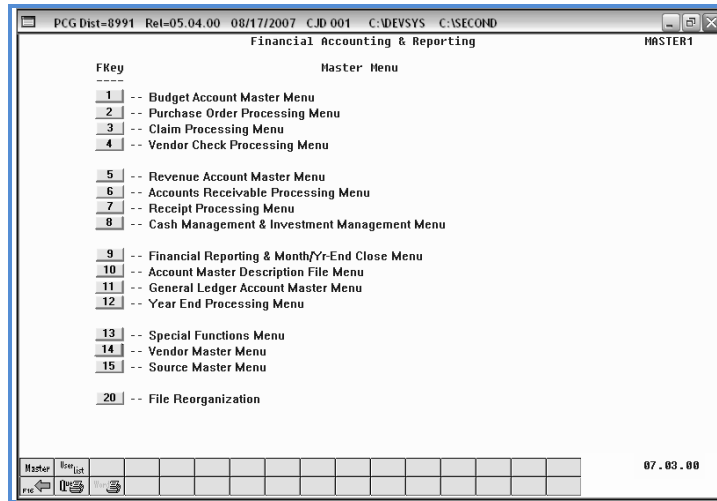
Step	Action
1	Select ⬚ **12** (**F12 -** Year End Processing Menu).
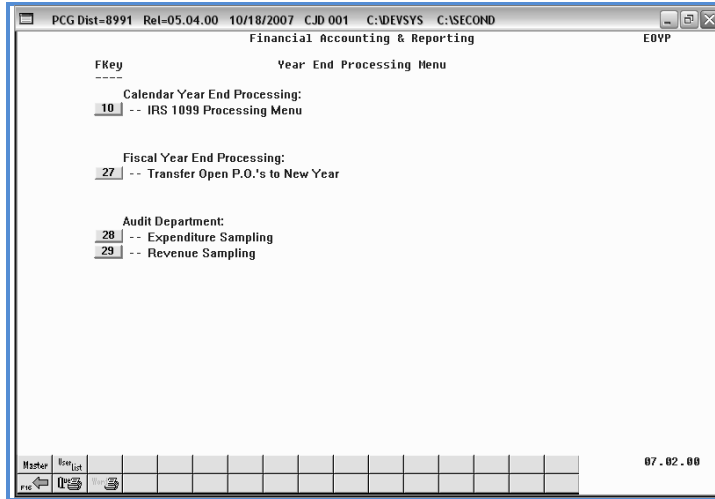
The following screen displays:

Step	Action
2	Select **10** (**F10** - Calendar Year End Processing: IRS 1099 Processing Menu).

The following screen displays:
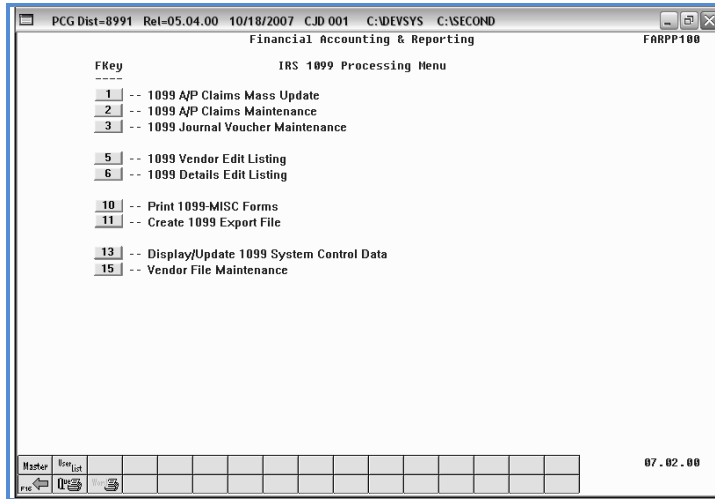
Step	Action
3	Select **1** (**F1** - 1099 A/P Claims Mass Update).

The following screen displays:
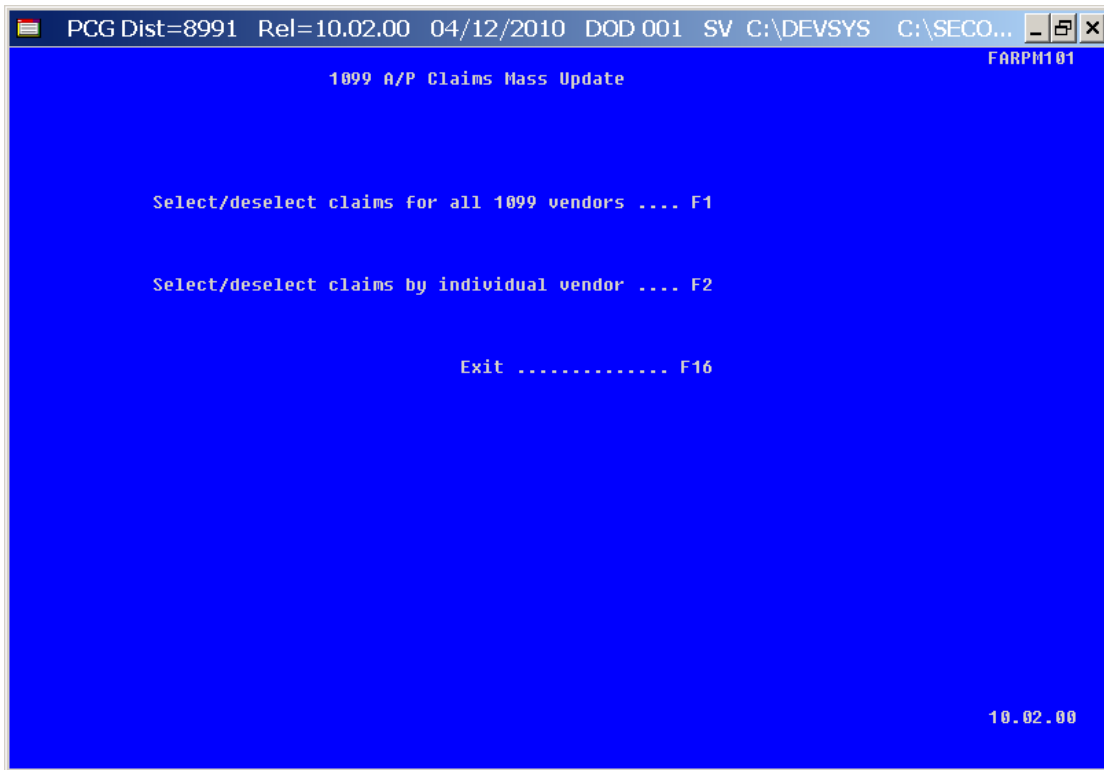
Step	Action
4	**For individual amount types:** Select **F1** (Select/Deselect Claims for All 1099 Vendors). *By selecting this option, all 1099's will contain the same amount indicator code.* **For multiple amount types:** Select **F2** (Select/Deselect Claims by Individual Vendor).

For **Step 4-F1** selections, the following screen displays:

```
  PCG Dist=8991  Rel=10.02.00  04/12/2010  DOD 001  SV  C:\DEVSYS  C:\SECO...  _ |&| x|
                                                                        FARPM101
            Select/Deselect Claims for All 1099 Vendors

            Enter 1099 amount indicator (1-8, B, C, D, E) to select,
            or leave blank to de-select 1099 claims.


            1099 Filing year:       10

            1099 Amount indicator:  _




     Amount Indicators:
        1 - Rents                2 - Royalties              3 - Other income
        4 - Fed income tax w/h   5 - Fishing boat           6 - Medical payments
        7 - Nonemployee comp     8 - Lieu of dividends      B - Parachute payments
        C - Legal services       D - Section 409A deferrals E - Section 409A income




     Press ENTER = Continue, F16 = Exit.                                10.02.00
```

For **Step 4-F2** selections, the following screen displays:

```
  PCG Dist=8991  Rel=10.02.00  04/12/2010  DOD 001  SV  C:\DEVSYS  C:\SECO...  _ |&| x|
                                                                        FARPM101
            Select/Deselect claims for Individual Vendor.

            Enter 1099 amount indicator (1-8, B, C, D, E) to select,
            or leave blank to de-select 1099 claims.


            1099 Filing year:       10

            1099 Amount indicator:

            Vendor number:   000000
            Vendor name   :




     Amount Indicators:
        1 - Rents                2 - Royalties              3 - Other income
        4 - Fed income tax w/h   5 - Fishing boat           6 - Medical payments
        7 - Nonemployee comp     8 - Lieu of dividends      B - Parachute payments
        C - Legal services       D - Section 409A deferrals E - Section 409A income




     Press ENTER = Continue, F16 = Exit.                                10.02.00
```

Step	Action
5	Verify the defaulting year in the **1099 Filing Year** field is correct. *If the information is incorrect, refer to Procedure A: Display/Update 1099 System Control Data for the instructions to modify the screen's entries.*
6	Enter the amount indicator code in the **1099 Amount Indicator** field. Leave the **1099 Amount Indicator** field blank to de-select claims for 1099 processing. *Refer to this document's "Overview" for the Form 1099-MISC Statements Amount Indicator Table for an explanation of the amount indicator codes.*
7	**For Step 4-F2 selections:** Enter or select the Drop-down selection icon ▼ within the **Vendor** field to choose the vendor's information.
8	Select **Enter** <u>twice</u>. *"*** Deselecting (or Selecting) All Vendors ***" briefly displays.*

For **Step 4-F1** selections, the following screen displays:

```
  PCG Dist=8991  Rel=10.02.00  04/12/2010  DOD 001  SV C:\DEVSYS  C:\SECO...   _ □ ×
                                                                          FARPM101
            Select/Deselect Claims for All 1099 Vendors

            Enter 1099 amount indicator (1-8, B, C, D, E) to select,
            or leave blank to de-select 1099 claims.


            1099 Filing year:      10

            1099 Amount indicator:     ** De-Select 1099 **




            Total amount:     8,601,566.21    Item count:    380




      Amount Indicators:
         1 - Rents                  2 - Royalties          3 - Other income
         4 - Fed income tax w/h     5 - Fishing boat       6 - Medical payments
         7 - Nonemployee comp       8 - Lieu of dividends  B - Parachute payments
         C - Legal services         D - Section 409A deferrals  E - Section 409A income




      Processing completed...F16 = Exit.                            10.02.00
```

Step	Action
9	Review the **Total Amount of 1099's** and the **Total Item Count** field entries, or screen-print the results, and select **F16** (Exit) to the *Select/Deselect Claims Entry* screen.

The following screen displays:

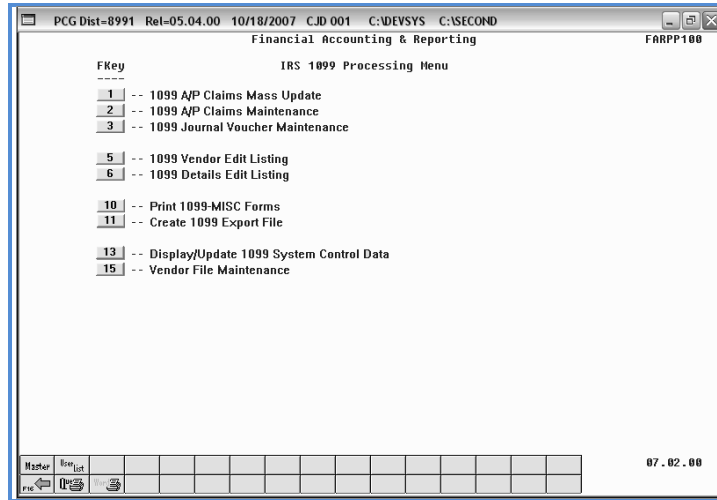| Step	Action
10	Select (**F16** - Exit) to return to the *Financial Accounting & Reporting – Year End Processing Menu,* or select (**Master**) to return to the *Business Applications Master Menu.*

C2. Maintaining 1099 Accounts Payable Claims
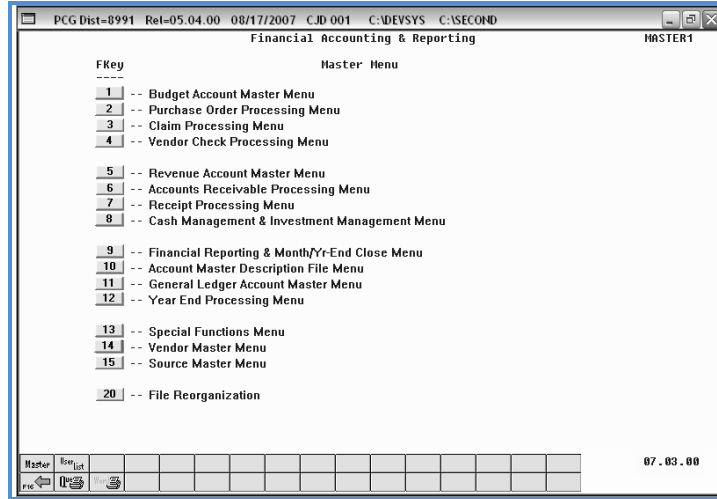
Step	Action
1	Select ⬚**12** (**F12 -** Year End Processing Menu).
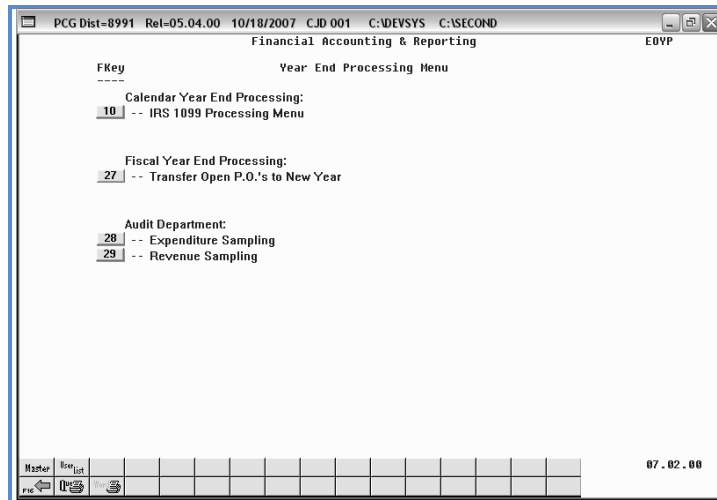
The following screen displays:

Step	Action
2	Select ⬚**10** (**F10** - Calendar Year End Processing: IRS 1099 Processing Menu).

The following screen displays:

Step	Action
3	Select **F2** (1099 A/P Claims Maintenance).

The following screen displays:

```
┌──────────────────────────────────────────────────────────────────────────┐
│ ▣  PCG Dist=8991  Rel=10.02.00  04/12/2010  DOD 001  SV  C:\DEVSYS   C:\SECO...  _ ⟃ × │
│                                                                  FARPM102  │
│                                                                            │
│                                                                            │
│       Enter vendor # to scan the expense file to examine                   │
│       entries for this vendor: _____ ▾ (Opt. Seq. #): ____                │
│                      and Press ENTER                                       │
│                                                                            │
│                                                                            │
│                                                                            │
│       Search by account number ................ PF12                       │
│                                                                            │
│                                                                            │
│                                                                            │
│                                                                            │
│                                                                            │
│                      Exit ............. F16                                │
│                                                                            │
│                                                                            │
│                                                                            │
│                                                                            │
│                                                                            │
│                                                                            │
│                                                               10.02.00     │
│                                                                            │
│                                                                            │
└──────────────────────────────────────────────────────────────────────────┘
```
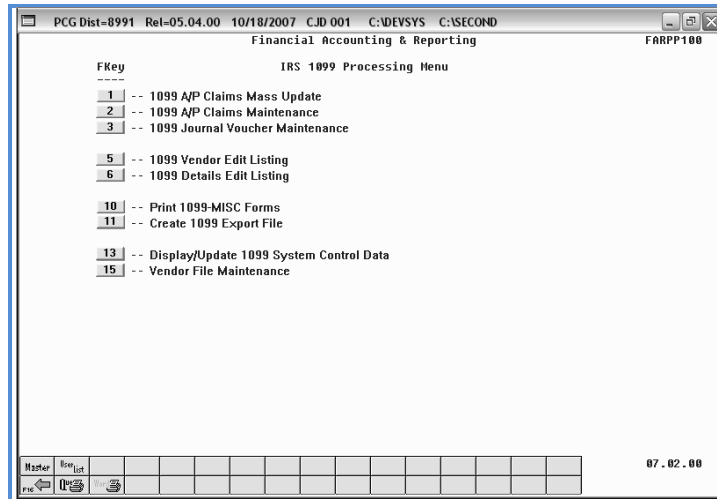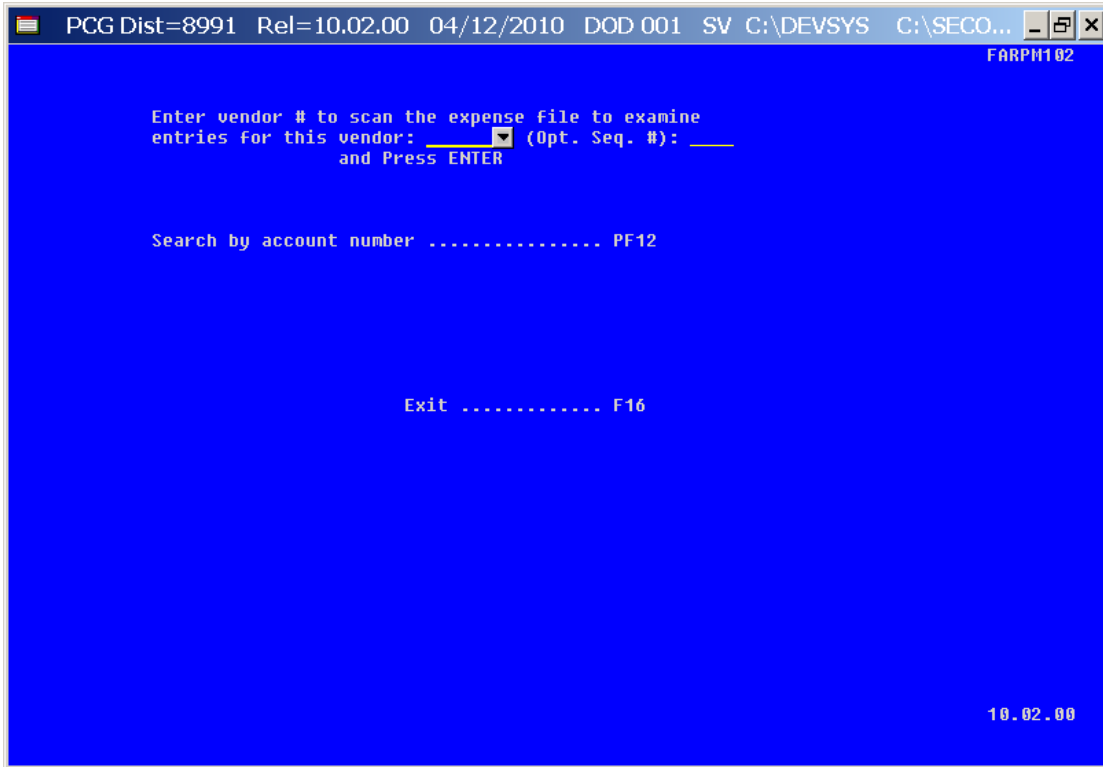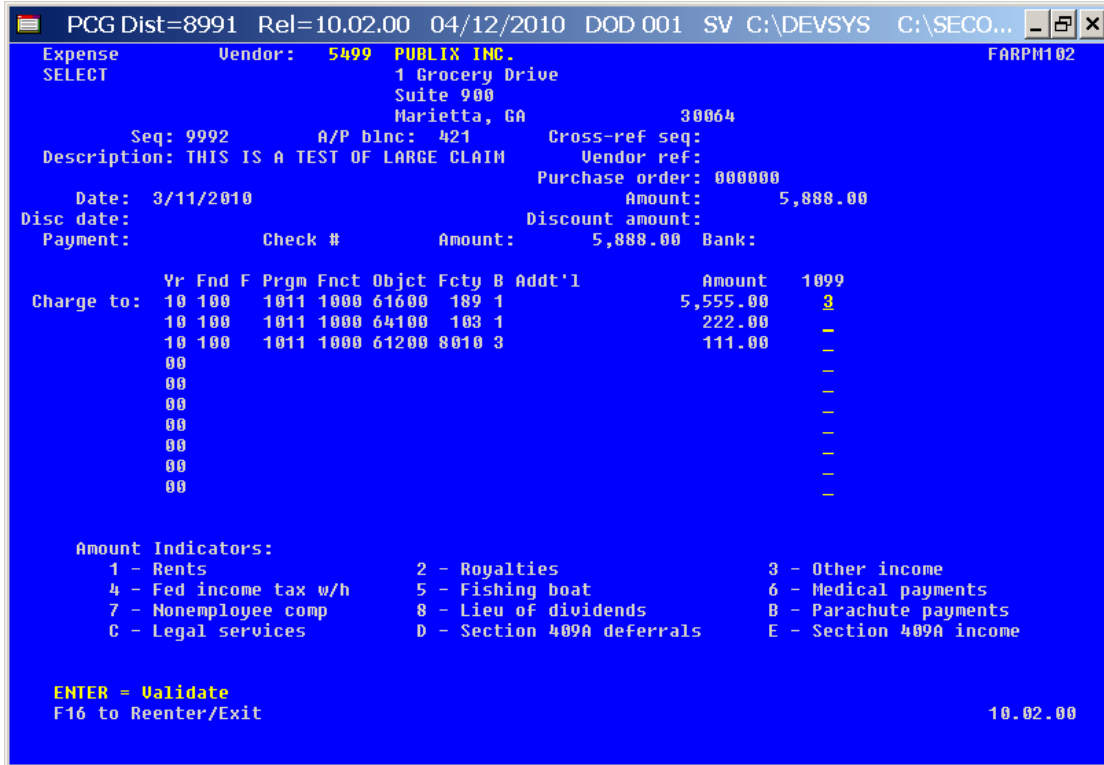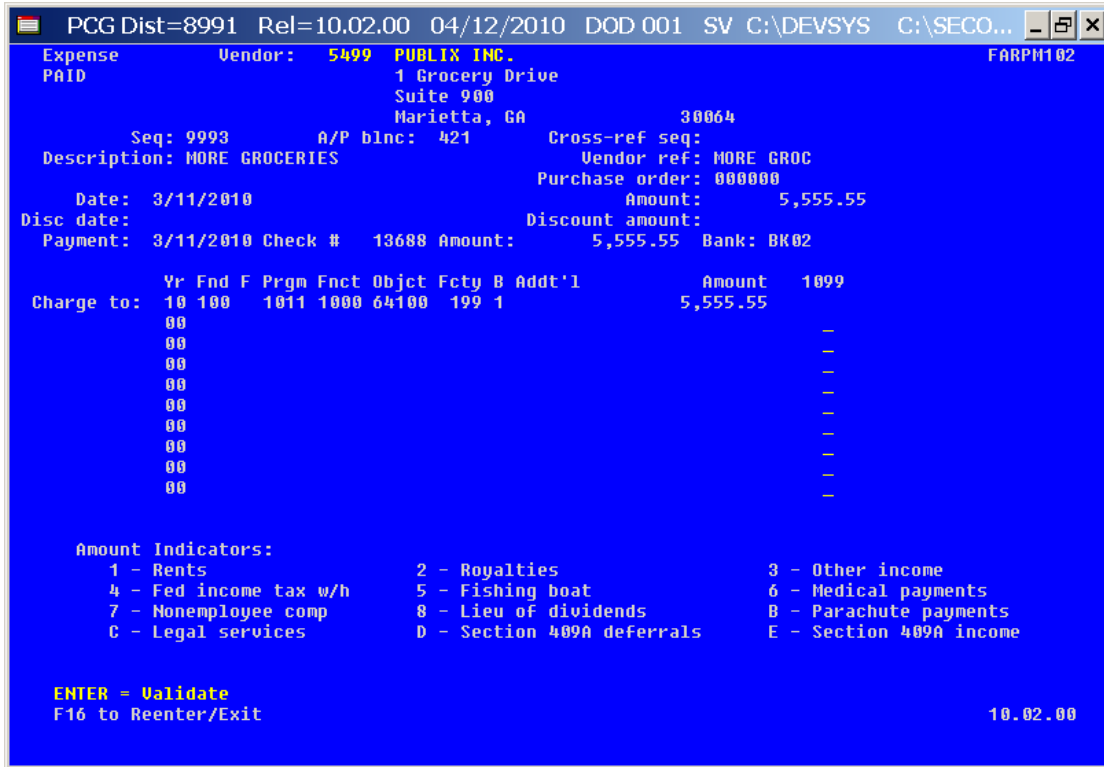
Step	Action
4	**For vendor number entries or selections:** Enter the vendor's number or select the Drop-down selection icon ▾ within the **Vendor** field to choose the vendor's information.
	For account number entries or selections: Select **F12** (Search by account number), enter the account information in the **Yr Fnd Prgm Fnct Objct Fcty B Addt'l** fields and select **Enter**.

The following screen displays:

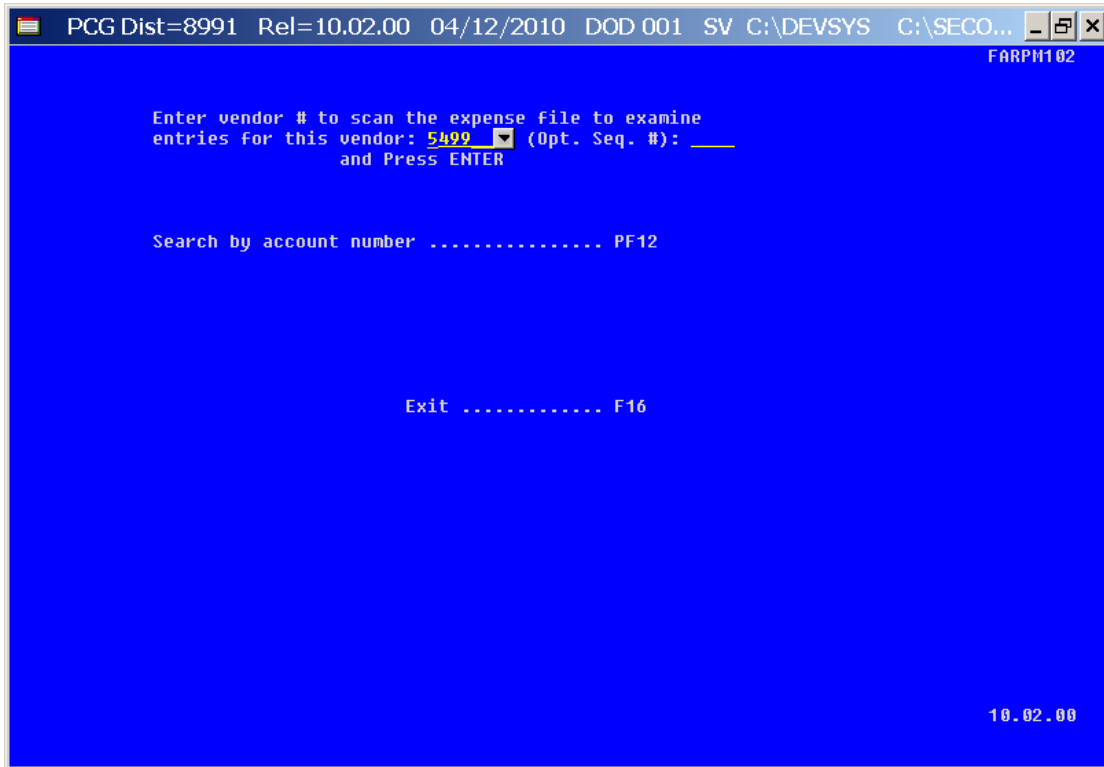| Step	Action
5	**For non-reported 1099 claims:** Delete the entry in the **1099** field where appropriate, and select **Enter** <u>twice</u>.
	For reported 1099 claims: Enter or verify the valid code exists within the **1099** field, and select **Enter** <u>twice</u>.
	Refer to this document's "Overview" for the Form 1099-MISC Statements Amount Indicator Table for an explanation of the amount indicator codes.
	To modify additional claim information, continue to select Enter until the record is located. Make the appropriate modifications and select Enter <u>twice</u>.

The following screen displays:

```
 PCG Dist=8991  Rel=10.02.00  04/12/2010  DOD 001  SV C:\DEVSYS  C:\SECO...  _ | □ | ×
   Expense        Vendor:    5499  PUBLIX INC.                             FARPM102
   PAID                             1 Grocery Drive
                                    Suite 900
                                    Marietta, GA              30064
           Seq: 9993        A/P blnc:  421       Cross-ref seq:
   Description: MORE GROCERIES                   Vendor ref: MORE GROC
                                                 Purchase order: 000000
      Date:  3/11/2010                              Amount:      5,555.55
  Disc date:                           Discount amount:
    Payment:  3/11/2010 Check #   13688 Amount:      5,555.55  Bank: BK02

              Yr Fnd F Prgm Fnct Objct Fcty B Addt'l        Amount    1099
   Charge to: 10 100   1011 1000 64100  199 1             5,555.55
              00                                                          _
              00                                                          _
              00                                                          _
              00                                                          _
              00                                                          _
              00                                                          _
              00                                                          _
              00                                                          _
              00                                                          _


      Amount Indicators:
        1 - Rents                2 - Royalties           3 - Other income
        4 - Fed income tax w/h   5 - Fishing boat        6 - Medical payments
        7 - Nonemployee comp     8 - Lieu of dividends   B - Parachute payments
        C - Legal services       D - Section 409A deferrals  E - Section 409A income


   ENTER = Validate
   F16 to Reenter/Exit                                              10.02.00
```
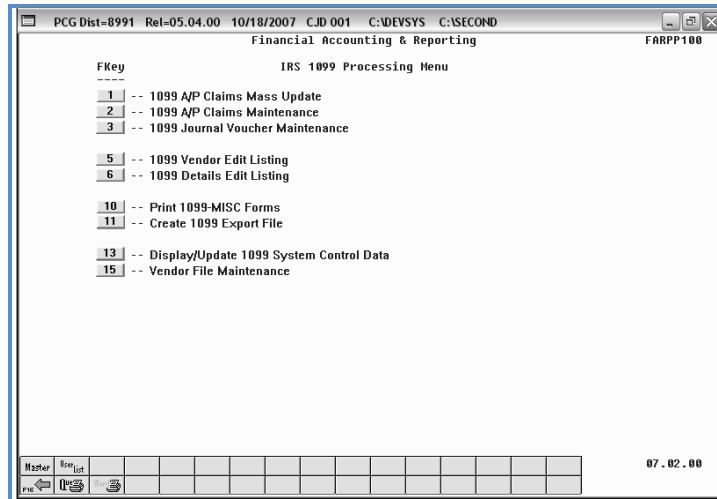
PCGenesis displays the next sequential claim.

Step	Action
6	Select **F16** (Exit) to the *Search Criteria Entry* screen.

The following screen displays:

```
 ▣  PCG Dist=8991  Rel=10.02.00  04/12/2010  DOD 001  SV  C:\DEVSYS   C:\SECO...  _ ⊡ ✕
                                                                            FARPM102




           Enter vendor # to scan the expense file to examine
           entries for this vendor: 5499   ▾  (Opt. Seq. #): ____
                        and Press ENTER



       Search by account number ................ PF12




                        Exit ............. F16












                                                              10.02.00
```

Step	Action
7	Select **F16** (Exit) to return to the *Financial Accounting & Reporting - IRS 1099 Processing Menu*.

The following screen displays:

Step	Action
8	Select [F16] (**F16** - Exit) to return to the *Financial Accounting & Reporting – Year End Processing Menu,* or select [Master] (**Master**) to return to the *Business Applications Master Menu.*

C3. Updating a 1099 Vendor's Journal Voucher

Step	Action
1	**To identify the Journal Voucher number:** Using the instructions provided in *Section J: Financial Reporting and Closing, Topic 1B: Processing Annual/Fiscal Year-End Closing Reports – Monthly & Special Audit File Reports*, *Procedure C: Printing the Journal Vouchers for Any Period Report*, run a *Journal Voucher Listing* for the current calendar year. Proceed to *Step 2* to update the affected journal vouchers.

Step	Action
2	Select ⬚ 12 (**F12 -** Year End Processing Menu).
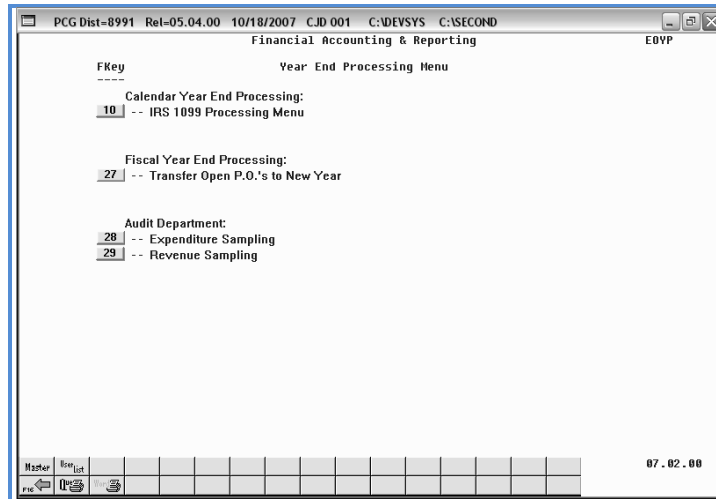
The following screen displays:

Step	Action
3	Select **10** (**F10** - Calendar Year End Processing: IRS 1099 Processing Menu).

The following screen displays:
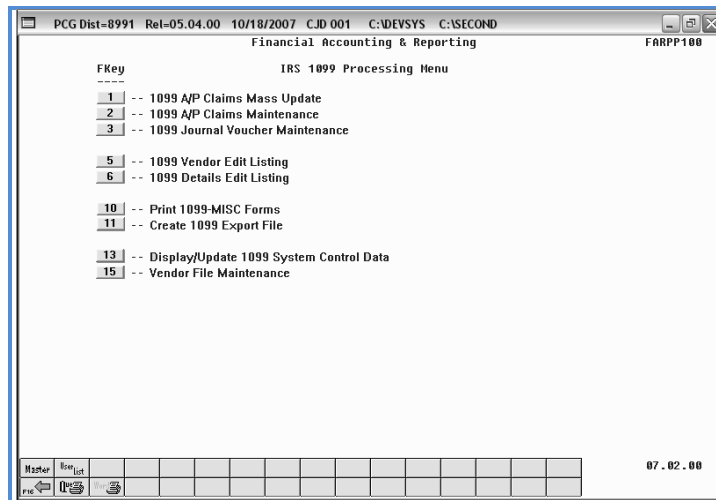
Step	Action
4	Select **3** (**F3** - Journal Voucher Maintenance).

The following screen displays:
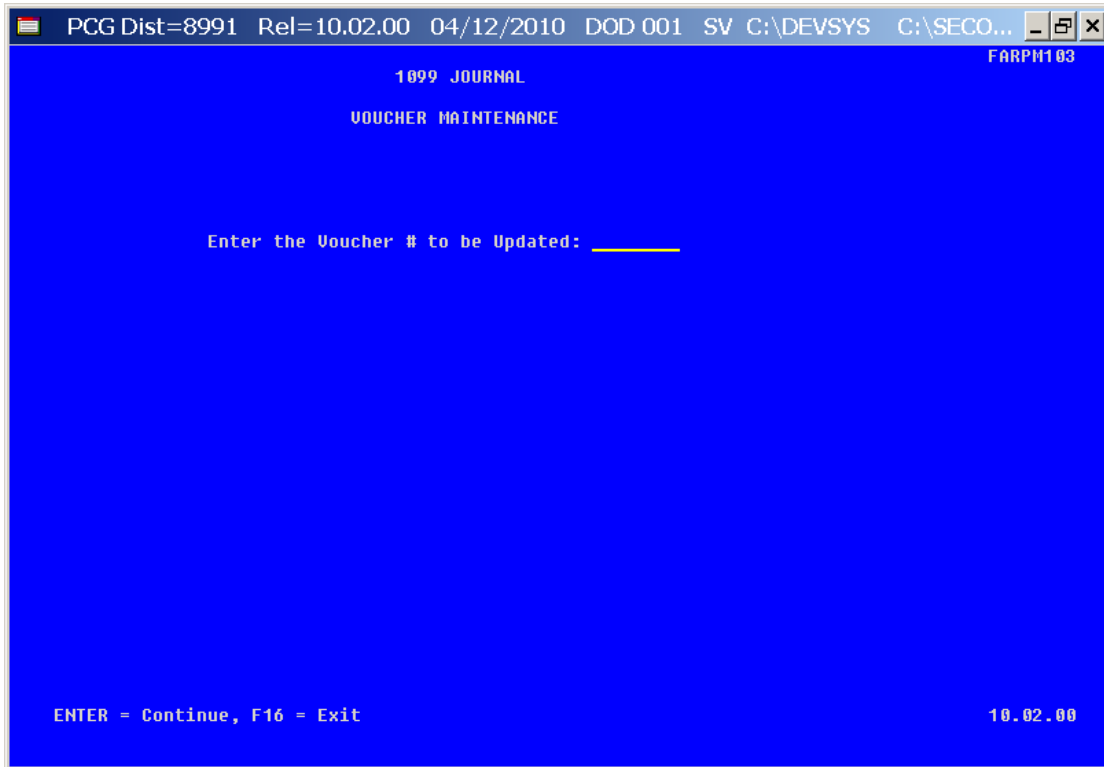
Step	Action
5	Enter the journal voucher number in the **Enter the Voucher # to be Updated** field, and select **Enter** (Continue).
	The journal entry screen briefly displays with the cursor positioned and flashing in the 1099 indicator field.

The following screen displays:

```
  PCG Dist=8991  Rel=10.02.00  04/12/2010  DOD 001  SV C:\DEVSYS  C:\SECO... _ □ ×
                                                                        FARPM103
                               JOURNAL ENTRY

    Voucher #:      3309 Transaction Date: 02 02 10  Reason: JOURNAL 1099 E
                            Journal Entry Year: 10
        1
        0               Blnc
Act    9               Fnct                                     Source
Typ    9 Fnd F Prgm Srce Objct Fcty B Addt'l  DR Amount    CR Amount   Bank Vendor
 E     3 100    1011 1000 61200 8010 3          500.00                        224
 R       100    1041 3122                                   500.00              1




                                                500.00      500.00
-- This following section applies ONLY if a check is issued against this J.E. --
          Check Bank:           Check #:         Amount:
          Vendor #:        -OR-  Payee:


     Amount Indicators:
        1 - Rents                  2 - Royalties           3 - Other income
        4 - Fed income tax w/h     5 - Fishing boat        6 - Medical payments
        7 - Nonemployee comp       8 - Lieu of dividends   B - Parachute payments
        C - Legal services         D - Section 409A deferrals E - Section 409A income


     ENTER = Continue,   F16 = Exit                               10.02.00
```

Step	Action
6	Enter the amount indicator code in the **1099 indicator** field and select **Enter** (Continue).
	Refer to this document's "Overview" for the Form 1099-MISC Statements Amount Indicator Table for an explanation of the amount indicator codes.
7	Select **F12** (Update).

The following screen displays:

```
PCG Dist=8991  Rel=10.02.00  04/12/2010  DOD 001  SV C:\DEVSYS  C:\SECO...  _ ð x
                                                                         FARPM103




                    **  UPDATE COMPLETE  **
















     ENTER = Update Another Voucher   F16 = Exit                        10.02.00
```

Step	Action
8	**To update additional journal voucher**(**s**)**:** Select **Enter** (Update Another Voucher), and repeat this procedure beginning at *Step 2*. *When selecting a journal voucher in error, from the Journal Vouchers for Any Period Report determine the appropriate voucher number, and repeat these steps beginning at Step 1. Delete the entries in the 1099 indicator field where appropriate, and select Enter.*
9	Select **F16** (Exit) to return to the *Financial Accounting & Reporting - IRS 1099 Processing Menu*.

The following screen displays:

Step	Action
10	Select F16 (**F16** - Exit) to return to the *Financial Accounting & Reporting – Year End Processing Menu,* or select Master (**Master**) to return to the *Business Applications Master Menu.*

C3.1 Scenarios Requiring a Journal Voucher Entry

- **To reduce the amount of a 1099 claim**: For example, if a vendor billed on the same invoice for parts <u>and</u> labor and the entire amount was paid on one claim. Since the only expense eligible for 1099 reporting is labor, it would be necessary for you to enter a Journal Voucher similar to the illustration below:

1099	ACCT	Dr	Cr	VENDOR
	XXXXXXXXXXXXXXXXXXXXXX	999		XXX
X	XXXXXXXXXXXXXXXXXXXXXX		999	XXX

  The 999 entry identifies the amount of money <u>not</u> <u>to</u> <u>be</u> <u>reported</u> on the FORM 1099 – MISC Statements. The account number should be the same <u>on</u> <u>both</u> <u>account</u> <u>lines</u>.

- **To reduce the amount of a claim that has been paid in a prior fiscal year.** In this instance, it would be necessary to enter a Journal Voucher as in the example below:

1099	ACCT	Dr	Cr	VENDOR
	XXXXXXXXXXXXXXXXXXXXXX	999		XXX
X	XXXXXXXXXXXXXXXXXXXXXX		999	XXX

  The 999 entry identifies the amount of money <u>not</u> <u>to</u> <u>be</u> <u>reported</u> on the FORM 1099 – MISC Statements. The account number should be the same <u>on</u> <u>both</u> <u>lines</u>. The account number will be from a <u>current</u> <u>fiscal</u> <u>year's</u> <u>account</u>.

  REMINDER: Since fiscal and calendar years cross over, it is possible that a claim paid in a fiscal year that requires reporting on the FORM 1099-MISC Statements for the current calendar year.

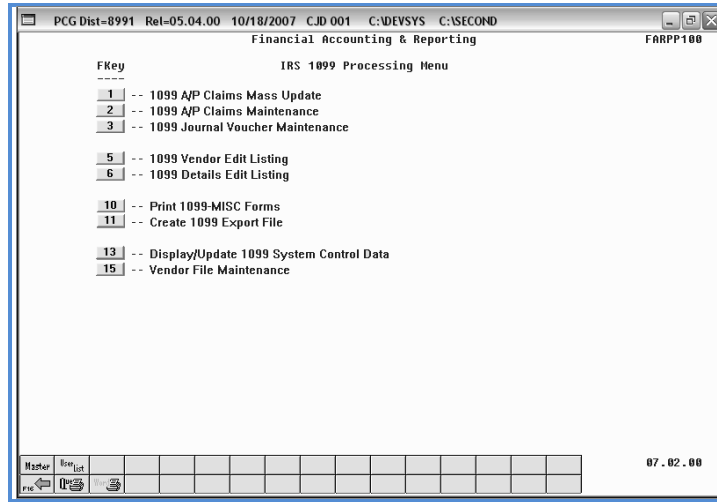# C4. Printing the 1099 Details Edit Listing
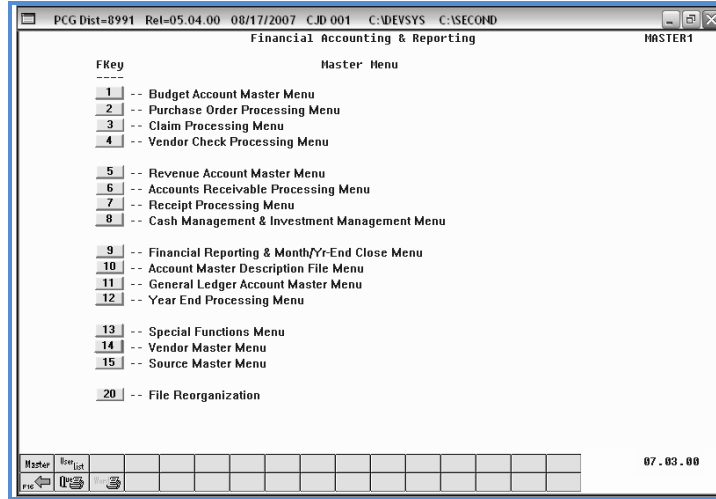
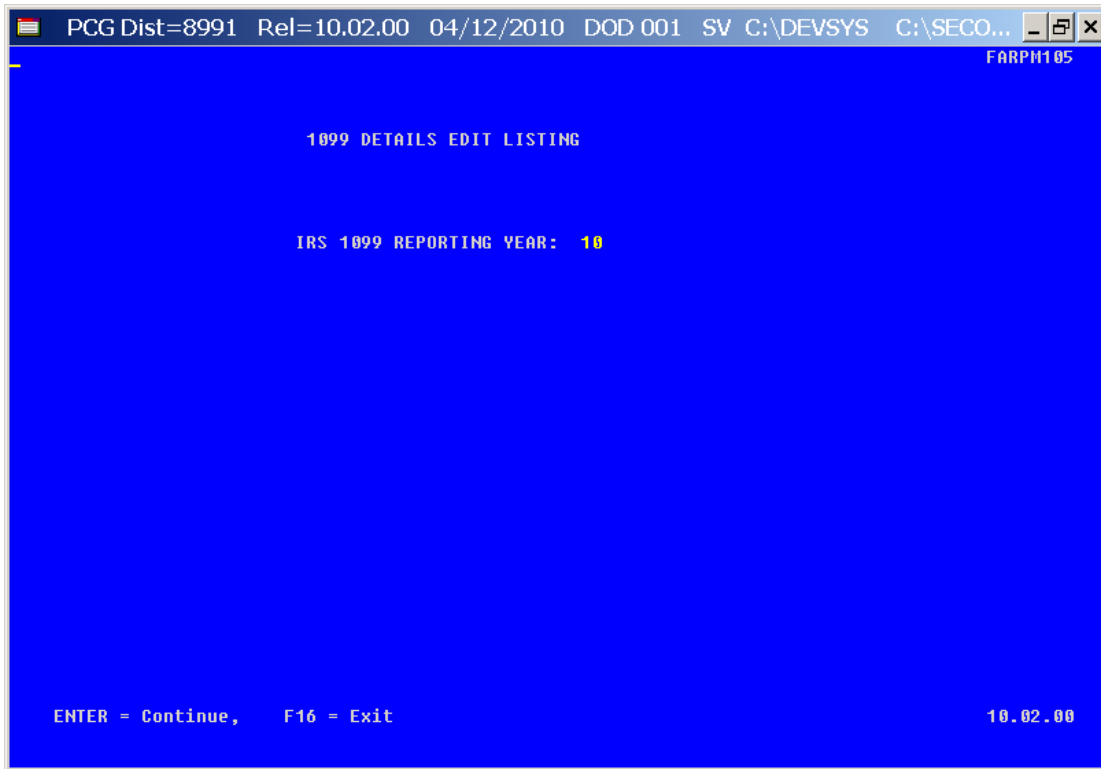| Step	Action
1	Select ![12] (**F12 -** Year End Processing Menu).

The following screen displays:
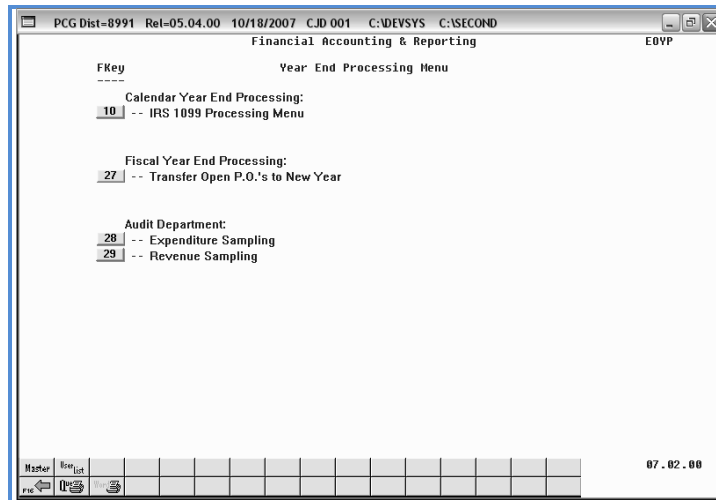
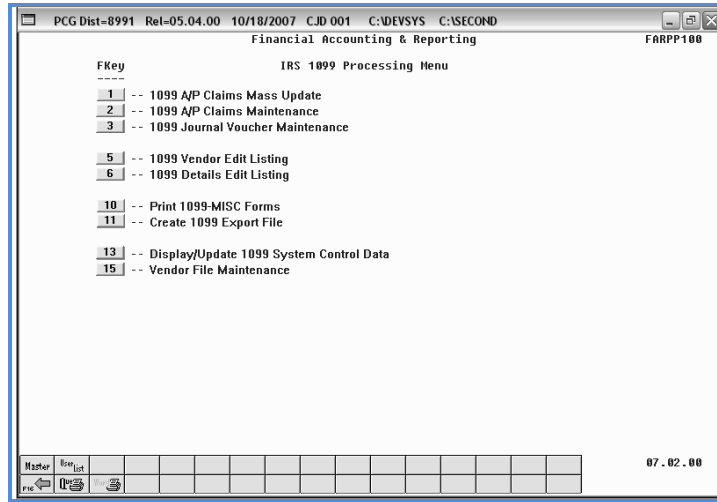| Step	Action
2	Select ![10] (**F10** - Calendar Year End Processing: IRS 1099 Processing Menu).

The following screen displays:

Step	Action
3	Select **6** (**F6** - 1099 Details Edit Listing).

The following screen displays:

```
  PCG Dist=8991  Rel=10.02.00  04/12/2010  DOD 001  SV C:\DEVSYS  C:\SECO...  _ | □ | ×
                                                                          FARPM105



             1099 DETAILS EDIT LISTING



          IRS 1099 REPORTING YEAR:   10

















     ENTER = Continue,    F16 = Exit                                    10.02.00
```

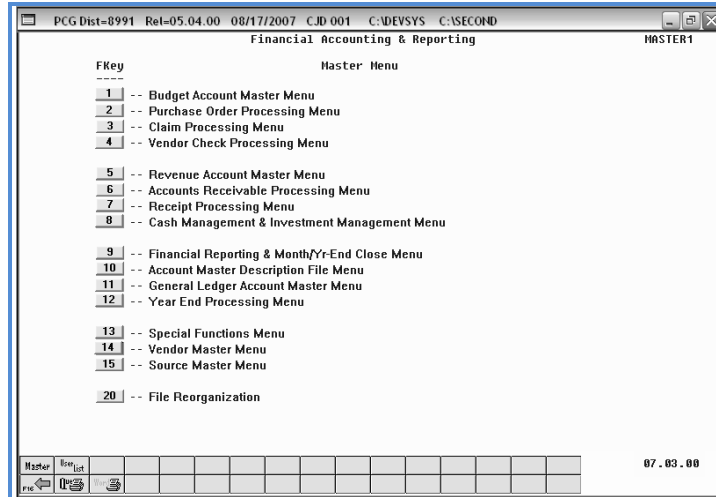| Step	Action
4	Verify the defaulting <u>current</u> calendar within the **IRS 1099 REPORTING YEAR** field is correct, and select **Enter** (Continue).
	If the entry in the field is incorrect, select F16 to exit this procedure and to update the 1099 System Control Data. Refer to Procedure A: Display/Update 1099 System Control Data *for the instructions.*
	"Extracting Expense Records", "Extracting JEMASTER Records", and "Sorting Extracted Records" briefly display.

The following screen displays:

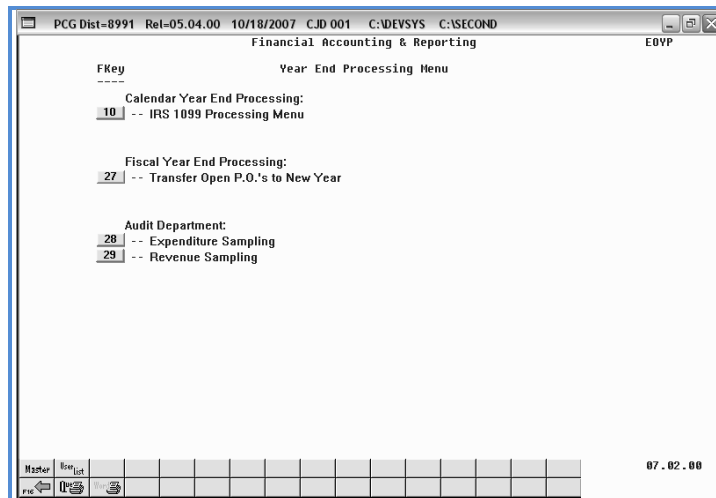| Step	Action
5	**To print the report via the Uqueue Print Manager:** Select [icon] (**Uqueue**).
	To print the report via Microsoft® Word: Select [icon] (**MS WORD**). *Follow the User Interface instructions provided in Topic 1: Creating the Microsoft®- PCGenesis QWORD Macro for Report Printing to create the macro necessary to use the feature where appropriate.*
6	Select [icon] (**F16** - Exit) to return to the *Financial Accounting & Reporting – Year End Processing Menu,* or select [icon] (**Master**) to return to the *Business Applications Master Menu.*
	Verify the Edit Listing carefully paying particular attention to the final page of the report identifying the "Total Number of Vendors Requiring 1099's" and the "Total Number of Vendors with Errors". Where appropriate, PCGenesis identifies the error codes within the Error Table portion of the report. Correct all errors and repeat this procedure until there are no errors. The amount indicators, i.e., CONTROL 1, 2, 3, etc. will also contain total dollar amounts.
	Refer to C3.1 Scenarios Requiring a Journal Voucher Entry for examples of claims requiring the entry of a Journal Voucher.

C4.1. 1099 Details Edit Listing – Example

```
============================================Page Break============================================
REPORT DATE:  10/19/2007          1 0 9 9   D E T A I L S   E D I T   L I S T I N G              PAGE:    1
REPORT TIME:  08:56 AM                          BY VENDOR NAME                                   FARPR106
                              SYSTEM: 8991   GADOE BOARD OF EDUCATION
                                             102 MAIN STREET
                                             GADOE, GA  30334
EMPLOYER:    FEDERAL ID (EIN): 998877889    FILING FOR: 2006  NAME CONTROL: GADO  TCC: 90412  AMOUNT INDICATORS: 3,4,7


     TRANS     TRANS    SEQUENCE  CHECK    CHECK                        1099  TRANS           ACCOUNT
     CODE      DATE     NUMBER    NUMBER   DESCRIPTION                  IND   AMOUNT           NUMBER
     ----------------------------------------------------------------------------------------------------------


VENDOR: 001348  CH8ISTENSON, MO8AMED           1099(Y/N): Y    FED-ID(Y/N): N    SSN/EIN: 999089036    NAME CONTROL: WALK
       AP     01/06/06  9938     048801   STUFF                         7         300.00   06-100-0-9990-2300-3110080100000000


CONTROL 7:       300.00
```

The final page of the report lists amount indicator, 1099 and vendor record errors.

```
                                         --- REPORT TOTALS ---


            1-Rents    :        $0.00    2-Royalties:         $0.00    3-Other    :      $500.00
            4-Fed Tax  :        $0.00    5-Boat     :         $0.00    6-Medical  :        $0.00
            7-Nonemploy:        $0.00    8-Dividends:         $0.00    B-Parachute:        $0.00
            C-Legal    :        $0.00    D-409A Def :       $100.00    E-409A Inc :        $0.00




                          TOTAL NUMBER OF VENDORS REQUIRING 1099'S =      1
                          TOTAL NUMBER OF VENDORS WITH ERRORS       =      1
```

Procedure D: Producing 1099-MISC Forms and Magnetic Media

D1. Printing the Internal Revenue Service (IRS) 1099-MISC Forms
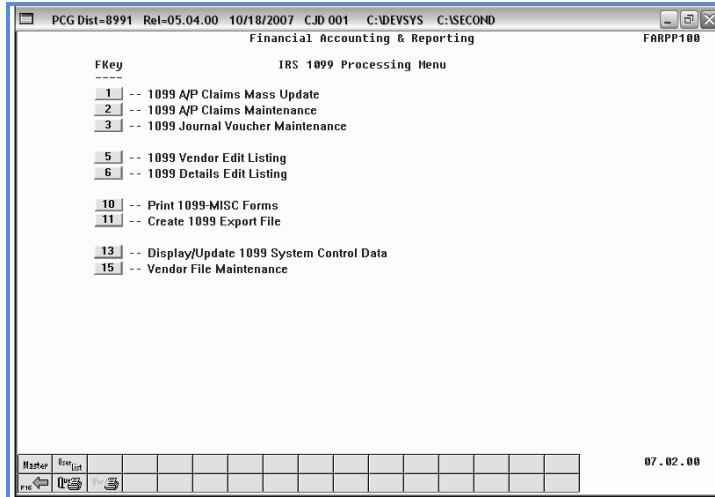

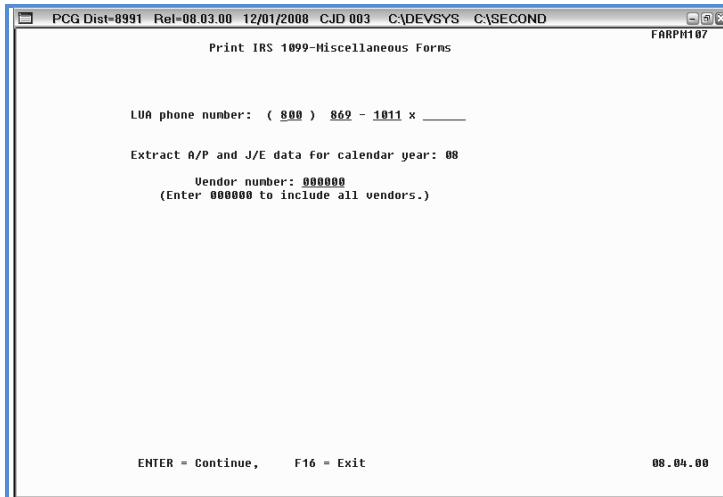| Step	Action
1	Select [12] (**F12** - Year End Processing Menu).

The following screen displays:

Step	Action
2	Select [10] (**F10** - Calendar Year End Processing: IRS 1099 Processing Menu).

The following screen displays:

Step	Action
3	Select ![10] (**F10** - Print 1099 – MISC Forms).

The following screen displays:

Step	Action
4	Enter the telephone number including the area code and the extension in the **LUA PHONE NUMBER** field.
5	Verify the defaulting **EXTRACT A/P and J/E DATA for CALENDAR YEAR** entry is correct. *If the entry in the field is incorrect, select F16 (Exit) to exit this procedure, and to update the 1099 System Control Data. Refer to Procedure A: Display/Update 1099 System Control Data for the instructions.*

Step	Action
6	**For all vendors:** Enter or verify the entry of **000000** in the **Vendor Number** field.
	For a specific vendor: Enter the vendor's number or select the Drop-down selection icon ▼ in the **Vendor** field to choose the vendor's information.
7	Insert the *1099 forms* and select **Enter** <u>twice</u>.
	"Extracting Expense Records" and "Creating JEMASTER Records" briefly display.

The following screen displays:

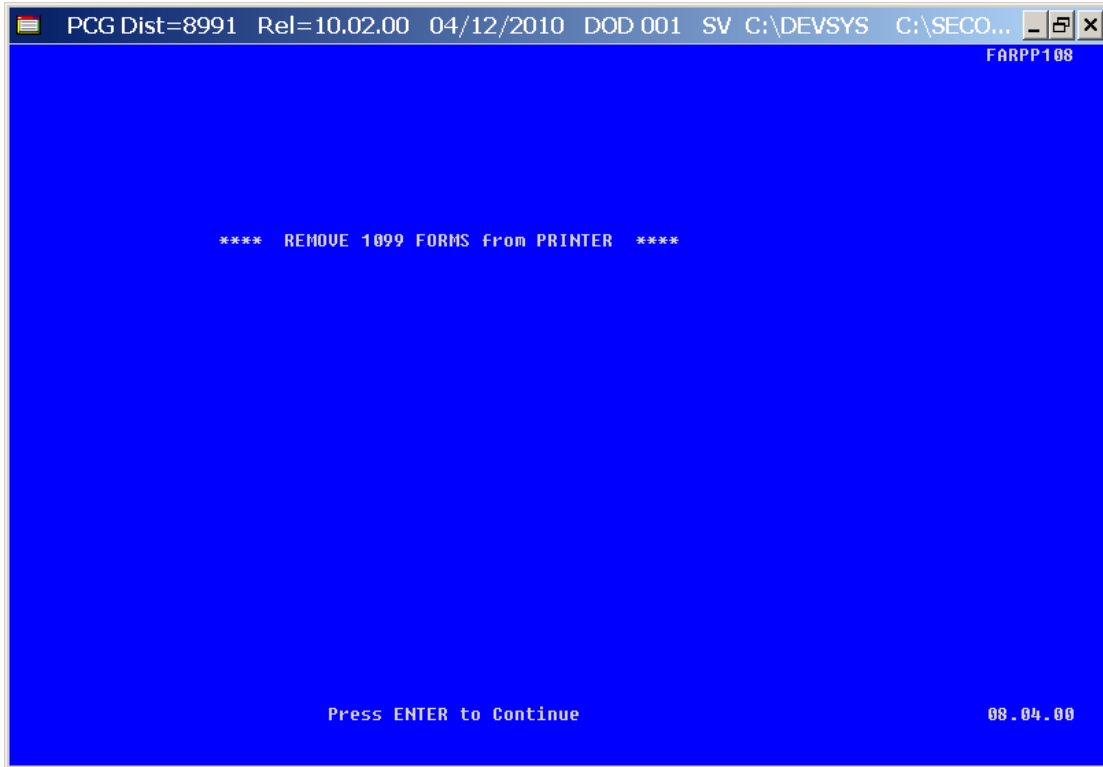| Step	Action
8	Select the ⊙ (**Radio button**) to the left of **Yes** or **No** to determine if duplicate Social Security Numbers (SSNs) and Employee Identification Numbers (EINs) are to be combined.
9	In order to print <u>all</u> 1099's, select the ⊙ (**Radio button**) to the left of the **Print All 1099's** label.
10	Select the ⊙ (**Radio button**) to the left of the desired print sequence.
11	Insert the 1099-MISC forms.
	Select **Enter** (Continue).

The following dialog box displays:
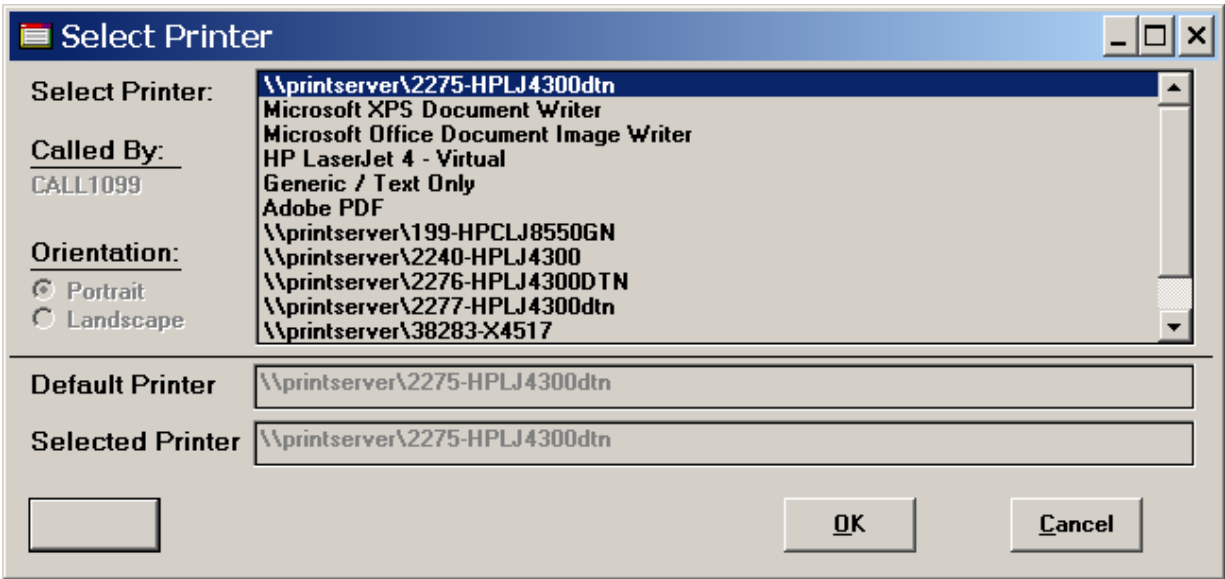
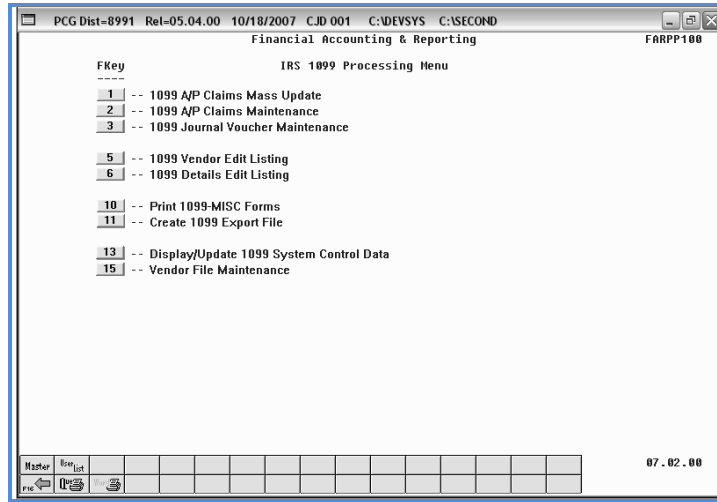| Step	Action
12	Within the *Select Printer* window, verify <u>or</u> highlight the appropriate Printer's name. Verify that the correct printer displays in the **Selected Printer** text box.
13	Select ⬛ OK (**OK**).

The following screen displays:

```
PCG Dist=8991  Rel=10.02.00  04/12/2010  DOD 001  SV  C:\DEVSYS  C:\SECO...  _ 🗗 ✕
                                                                          CALL1099
                              Setup for 1099 MISC

              Current Printer Selected        \\printserver\48067-HPLJ4100DTN

         Please Make Selection

                        F1    - Select Printer
                        F2    - Print Sample 1099

                        F8    - Prints OK, Continue
                        F16   - Cancel and Exit                         10.02.00
```

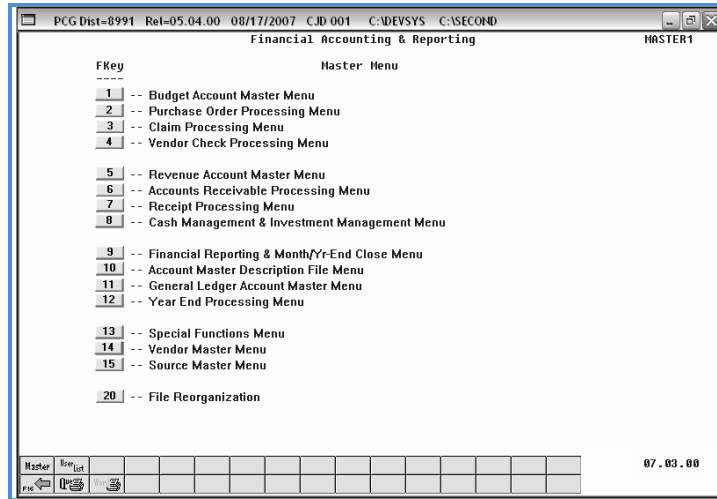| Step	Action
14	Insert an <u>actual</u> *1099-MISC* form into the printer's feeder tray, and select ⬚ F2 (**F2** – Print Sample 1099). *Print the sample copy of the 1099-MISC form to ensure the information is properly aligned before continuing.* *Contact the Technology Management Customer Support Center for assistance as needed.* *To exit the Print Test Option, select* ⬚ F16 *(F16 -Cancel and Exit), and proceed to Step 17.*
15	Select ⬚ F8 (**F8** – Prints OK, Continue).

The following screen displays:

```
 PCG Dist=8991  Rel=10.02.00  04/12/2010  DOD 001  SV  C:\DEVSYS   C:\SECO...  _ 🗗 ✕
                                                                          FARPP108




            ****  REMOVE 1099 FORMS from PRINTER  ****

















                        Press ENTER to Continue                        08.04.00
```

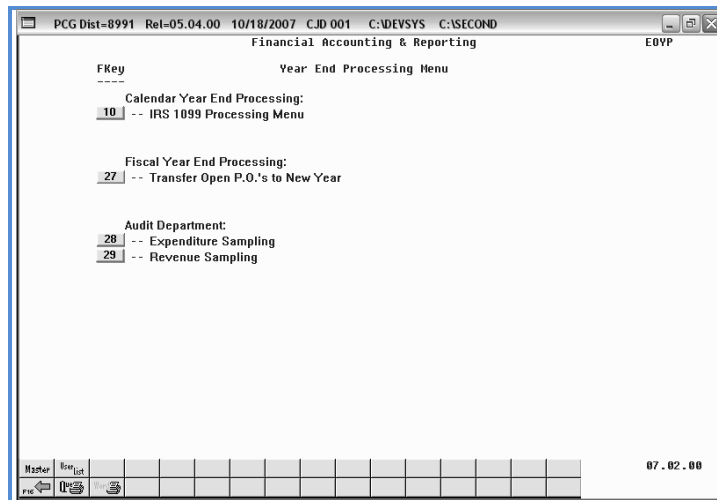| Step	Action
16	Remove the *FORM 1099-MISC Statements* from the Printer, and select **Enter** (to Continue).

The following screen displays:

Step	Action
17	Select ![F16](F16 arrow) (**F16** - Exit) to return to the *Financial Accounting & Reporting – Year End Processing Menu,* or select Master (**Master**) to return to the *Business Applications Master Menu.*
18	Compare the *FORM 1099-MISC Statements* to the *1099 Vendor Details Edit Listing* to verify that they are correct. *Repeat the appropriate procedure to correct the error and repeat these steps where appropriate.*

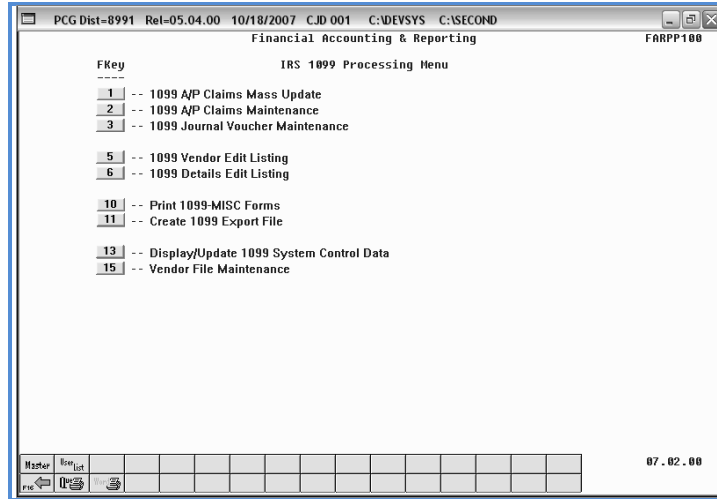# *D2. Re-Printing the Internal Revenue Service (IRS) 1099-MISC Forms*

Step	Action
1	Select ⬚**12** (**F12 -** Year End Processing Menu).

The following screen displays:

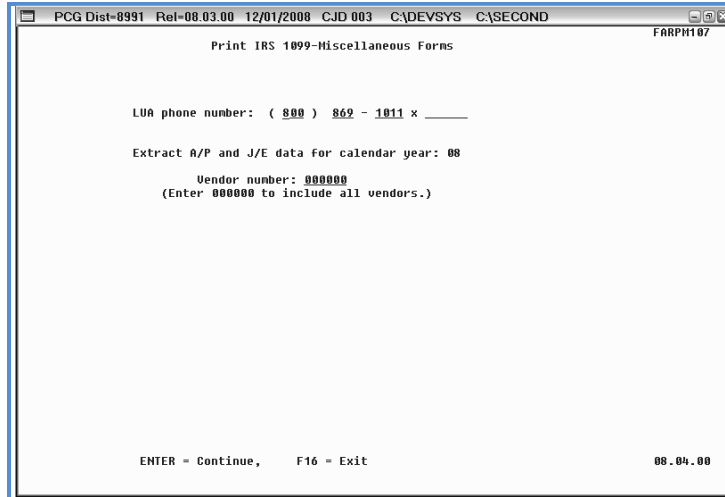| Step	Action
2	Select ⬚**10** (**F10** - Calendar Year End Processing: IRS 1099 Processing Menu).

The following screen displays:

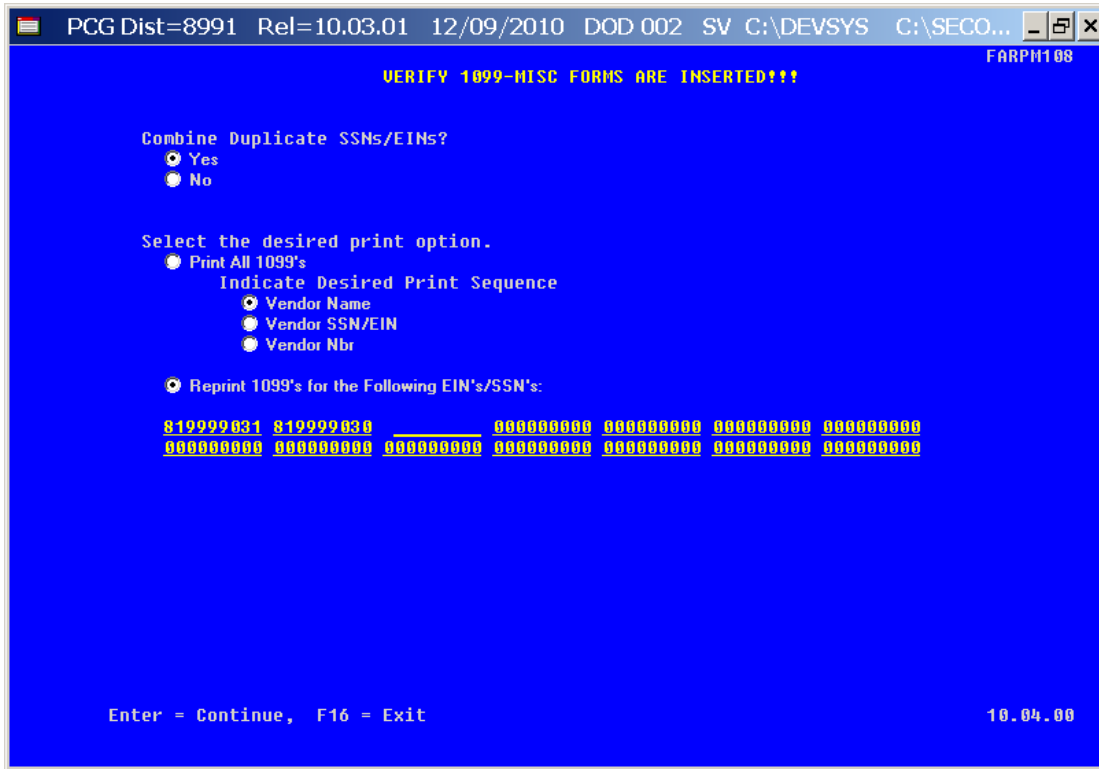| Step	Action
3	Select ![10] (**F10** - Print 1099 – MISC Forms).

The following screen displays:

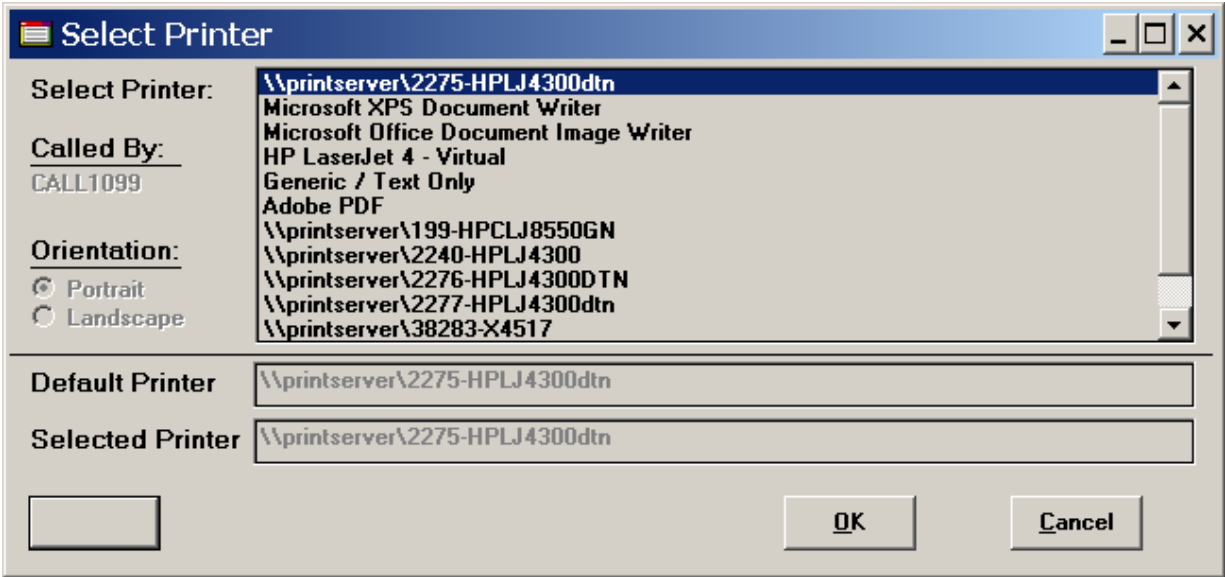| Step	Action
4	Enter the telephone number including the area code and the extension in the **LUA PHONE NUMBER** field.
5	Verify the defaulting **EXTRACT A/P and J/E DATA for CALENDAR YEAR** entry is correct. *If the entry in the field is incorrect, select F16 (Exit) to exit this procedure, and to update the 1099 System Control Data. Refer to Procedure A: Display/Update 1099 System Control Data for the instructions.*

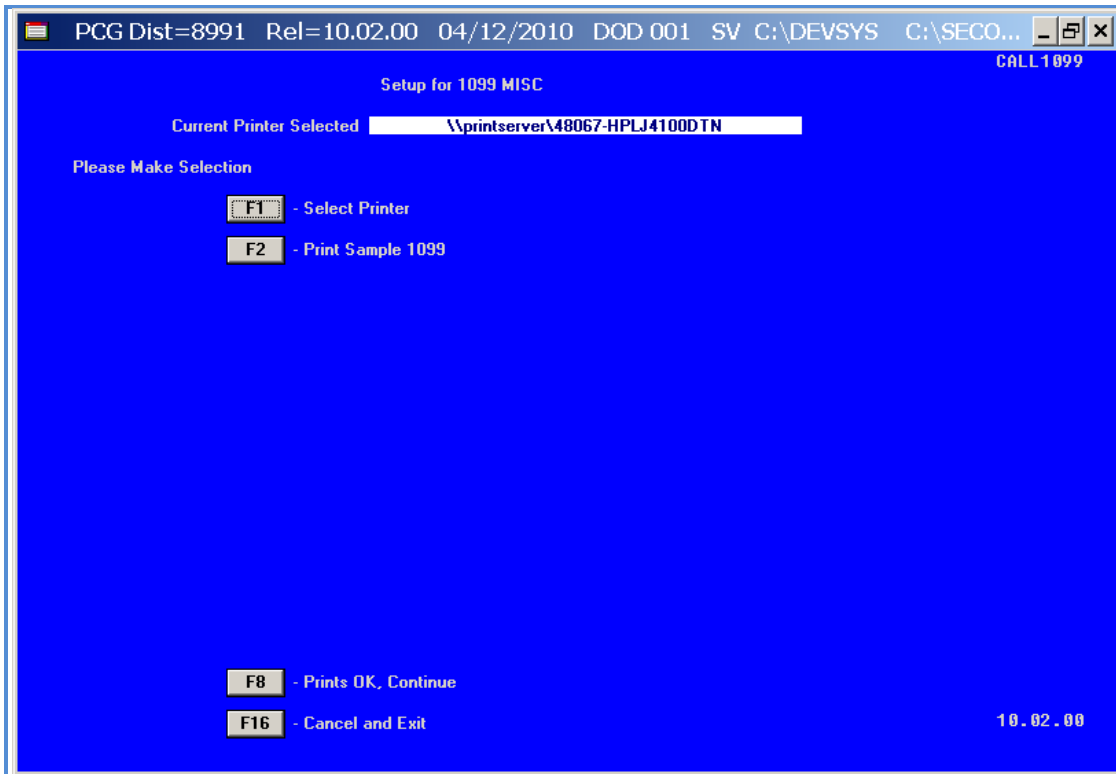| Step	Action
6	**For all vendors:** Enter or verify the entry of **000000** in the **Vendor Number** field. **For a specific vendor**: Enter the vendor's number or select the Drop-down selection icon ⏷ in the **Vendor** field to choose the vendor's information.
7	Insert the *1099 forms* and select **Enter** <u>twice</u>. *"Extracting Expense Records" and "Creating JEMASTER Records" briefly display.*

The following screen displays:

```
PCG Dist=8991  Rel=10.03.01  12/09/2010  DOD 002  SV C:\DEVSYS   C:\SECO...  _ □ ×
                                                                           FARPM108
                      VERIFY 1099-MISC FORMS ARE INSERTED!!!

            Combine Duplicate SSNs/EINs?
                ⦿ Yes
                ⦿ No


            Select the desired print option.
                ⦿ Print All 1099's
                        Indicate Desired Print Sequence
                            ⦿ Vendor Name
                            ⦿ Vendor SSN/EIN
                            ⦿ Vendor Nbr

              ⦿ Reprint 1099's for the Following EIN's/SSN's:

            819999031 819999030  _____  000000000 000000000 000000000 000000000
            000000000 000000000  000000000 000000000 000000000 000000000 000000000







         Enter = Continue,  F16 = Exit                              10.04.00
```

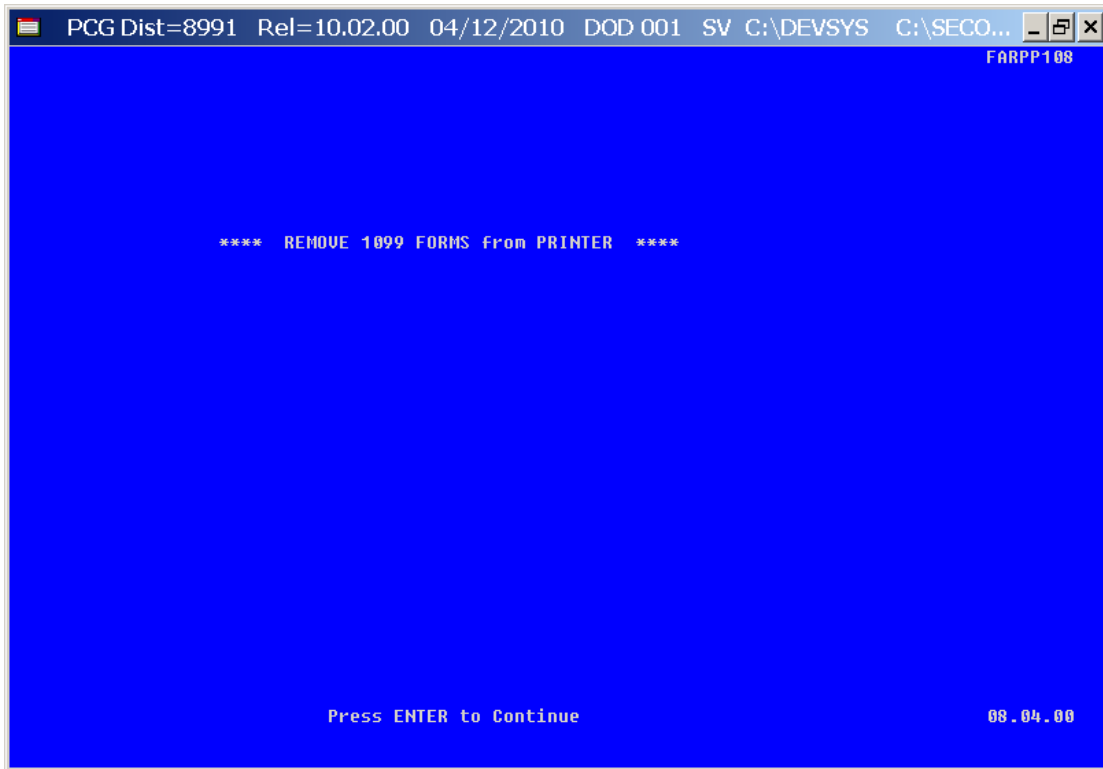| Step	Action
8	Select the ⦿ (**Radio button**) to the left of **Yes** or **No** to determine if duplicate Social Security Numbers (SSNs) and Employee Identification Numbers (EINs) are to be combined.
9	Select the ⦿ (**Radio button**) to the left of the **Reprint 1099's for the Following EIN's/SSN's** label. Enter up to 14 EIN's/SSN's to be reprinted.
10	Insert the 1099-MISC forms. Select **Enter** (Continue).

The following dialog box displays:

Step	Action
11	Within the *Select Printer* window, verify <u>or</u> highlight the appropriate Printer's name. Verify that the correct printer displays in the **Selected Printer** text box.
12	Select [OK] (**OK**).

The following screen displays:

Step	Action
13	Insert an <u>actual</u> *1099-MISC* form into the printer's feeder tray, and select [F2] (**F2** – Print Sample 1099).
	Print the sample copy of the 1099-MISC form to ensure the information is properly aligned before continuing.
	Contact the Technology Management Customer Support Center for assistance as needed.
	To exit the Print Test Option, select [F16] *(F16 -Cancel and Exit), and proceed to Step 16.*
14	Select [F8] (**F8** – Prints OK, Continue).

The following screen displays:

```
  PCG Dist=8991  Rel=10.02.00  04/12/2010  DOD 001  SV C:\DEVSYS   C:\SECO...  _ 🗗 ✕
                                                                          FARPP108




              ****  REMOVE 1099 FORMS from PRINTER   ****

















                        Press ENTER to Continue                          08.04.00
```

Step	Action
15	Remove the *FORM 1099-MISC Statements* from the Printer, and select **Enter** (to Continue).

The following screen displays:

Step	Action
16	Select F16 (**F16** - Exit) to return to the *Financial Accounting & Reporting – Year End Processing Menu,* or select Master (**Master**) to return to the *Business Applications Master Menu.*
17	Compare the *FORM 1099-MISC Statements* to the *1099 Vendor Details Edit Listing* to verify that they are correct. *Repeat the appropriate procedure to correct the error and repeat these steps where appropriate.*

D3. Creating the Internal Revenue Service (IRS) 1099 Magnetic Media File/Copying the File to Diskette

Step	Action
1	Select ⬚12 (**F12 -** Year End Processing Menu).
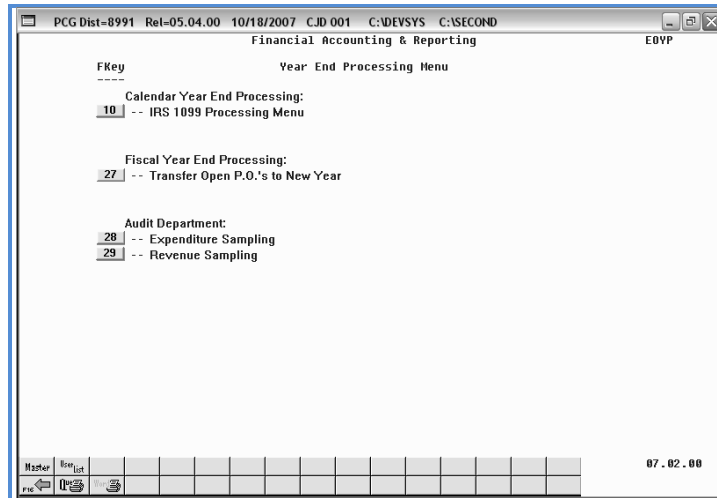
The following screen displays:

Step	Action
2	Select ⬚10 (**F10** - Calendar Year End Processing: IRS 1099 Processing Menu).

The following screen displays:

Step	Action
3	Select **11** (**F11 -** Create 1099 Magnetic Media file).

The following screen displays:

```
 PCG Dist=8991  Rel=10.04.01  01/21/2011  DOD 001  SV C:\DEVSYS  C:\SECO...  _ □ ×
                                                                            FARPM107
                    Create IRS 1099-Miscellaneous Export File



              Extract A/P and J/E data for calendar year: 10


         LUA contact phone number:  ( 999 )  555 - 1234 x _____
         Contact name:              W2 CONTACT NAME
         Contact email:             1W2clerk@district.k12.ga.us










              ENTER = Continue,    F16 = Exit                          10.02.00
```
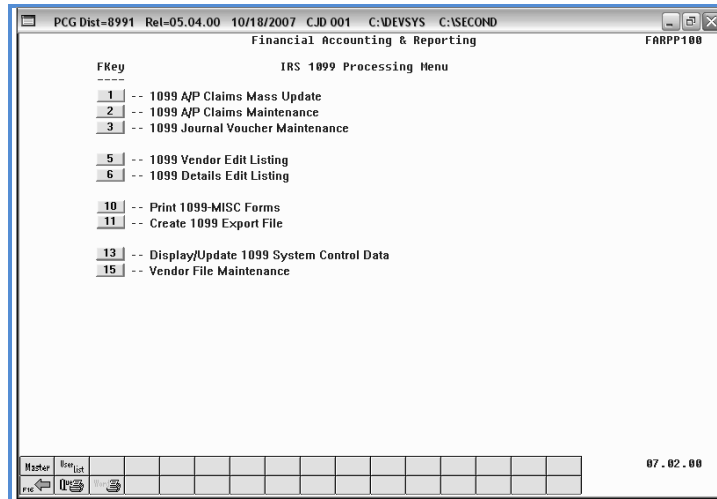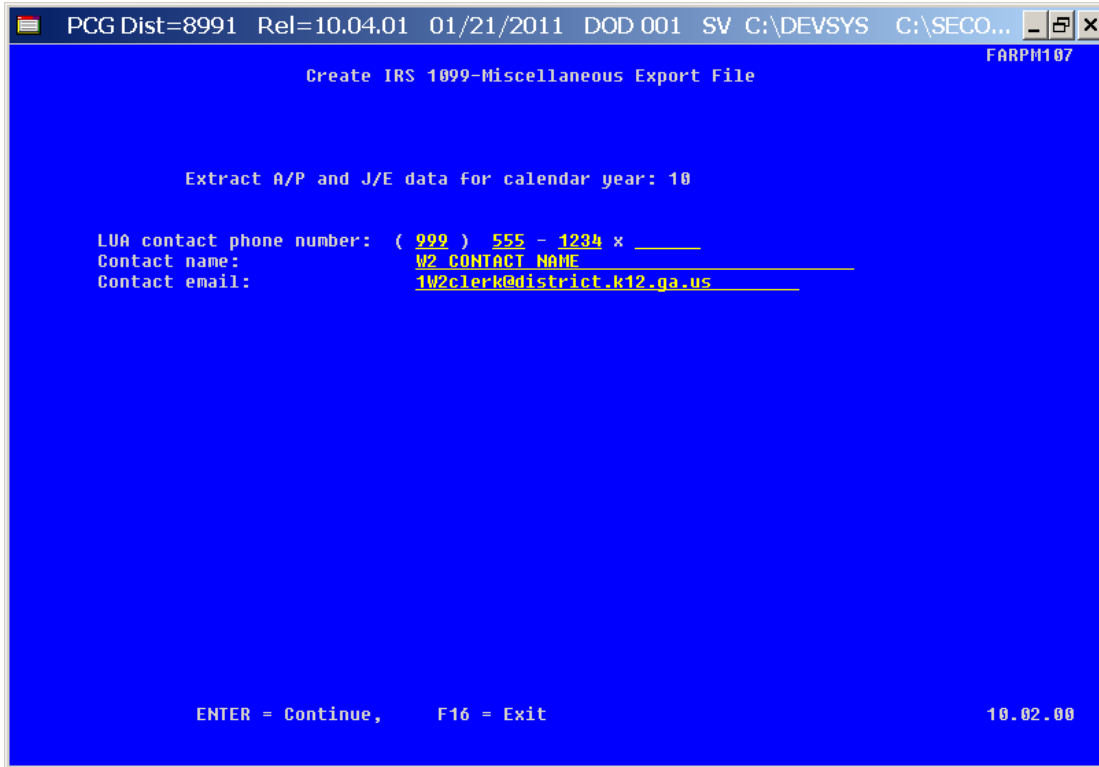
Step	Action
4	Verify the defaulting **EXTRACT A/P and J/E DATA for CALENDAR YEAR** entry is correct. *PCGenesis populates the "Contact" fields as users complete the Magnetic Media procedure.* *If the entry in the field is incorrect, select F16 (Exit) to exit this procedure. Refer to Procedure A: Display/Update 1099 System Control Data for the instructions to update the 1099 System Control information in PCGenesis.*
5	Enter the telephone number, including the area code and the extension in the **LUA CONTACT PHONE NUMBER** field.
6	Enter the school district/system magnetic media contact's name in the **CONTACT NAME** field.
7	Enter the school district/system contact's E-mail address in the **CONTACT EMAIL** field.
8	Select **Enter** <u>twice</u>. *The "Extracting Expenses Records", "Extracting JEMASTER Records", "Sorting Extracted Records" and "Creating IRSTAX1" briefly display.*

The following screen displays:

```
 PCG Dist=8991  Rel=10.02.00  04/12/2010  DOD 001  SV C:\DEVSYS   C:\SECO...  _ 8 X
                                                                        FARPM109
                  -----   IRS 1099 TOTALS   -----



              NUMBER OF VENDORS REPORTED:        1


         AMOUNT INDICATOR 1: Rents                      0.00
         AMOUNT INDICATOR 2: Royalties                  0.00
         AMOUNT INDICATOR 3: Other                    500.00
         AMOUNT INDICATOR 4: Federal Tax                0.00
         AMOUNT INDICATOR 5: Boats                      0.00
         AMOUNT INDICATOR 6: Medical                    0.00
         AMOUNT INDICATOR 7: Nonemployee                0.00
         AMOUNT INDICATOR 8: Dividends                  0.00
         AMOUNT INDICATOR B: Parachute                  0.00
         AMOUNT INDICATOR C: Legal fees                 0.00
         AMOUNT INDICATOR D: 409A Defer               100.00
         AMOUNT INDICATOR E: 409A Income                0.00




         File Name =  C:\SECOND\FARDATA\IRSTAX1




                  (Any Key to Continue)                       10.02.00
```

Step	Action
9	Compare the total number of *FORM 1099-MISC Statements* issued (reported) to the total for <u>each</u> 1099 *Amount Indicator* code.
10	Record the filename(s) or screen-print the *Successfully* Created screen and select **Enter**. *When creating multiple files, the filenames will be IRSTAX1, IRSTAX2, etc. <u>Each file must be copied to a single diskette.</u> These file(s) are located in K:\SECOND\FARDATA.*
11	Select **Enter** (to Continue).

The following screen displays:


```
 ☐   PCG Dist=8991  Rel=05.04.00  10/18/2007  CJD 001   C:\DEVSYS   C:\SECOND        _ ☐ ☒
                           Financial Accounting & Reporting                        FARPP100
       FKey                     IRS 1099 Processing Menu
       ----
         1  -- 1099 A/P Claims Mass Update
         2  -- 1099 A/P Claims Maintenance
         3  -- 1099 Journal Voucher Maintenance

         5  -- 1099 Vendor Edit Listing
         6  -- 1099 Details Edit Listing

        10  -- Print 1099-MISC Forms
        11  -- Create 1099 Export File

        13  -- Display/Update 1099 System Control Data
        15  -- Vendor File Maintenance



     Master  User                                                           07.02.00
           list
     F16
```

Step	Action
12	Select [F16] (**F16** - Exit) to return to the *Financial Accounting & Reporting – Year End Processing Menu,* or select [Master] (**Master**) to return to the *Business Applications Master Menu.*
13	**To copy the file to a diskette**: Insert a blank, formatted diskette into the *A:* drive. From *Windows® Explorer,* access **K:\SECOND\FARDATA → IRSTAX1**. **Right-select IRSTAX1,** and select **Send To 3 1/2 Floppy** (**A**). *The Copying window briefly display with the IRSTAX1 from FARDATA to A:\ prompt.* After successfully copying the file to a diskette, remove and label the diskette.
	Repeat this process for all files. Each file must be copied to a single diskette and labeled with the correct filename, i.e. IRSTAX2, etc.
	The IRS Notice 210 Preparation for Instructions for Media Label provides detailed instructions for the proper labeling of magnetic media. The IRS provides these instructions at http://www.irs.gov/pub/irs-pdf/n210.pdf.
	IRS Form 4804 - Transmittal of Information Returns Reported Magnetically must be completed and included with the mailing of the diskette(s). The IRS provides this form at http://www.irs.gov/pub/irs-pdf/f4804.pdf.